

3028. By Mr. TINKHAM: Petition of St. Brendan Society, regarding England's treatment of Ireland; to the Committee on Foreign Affairs.

3029. Also, petition of Roger Casement Branch, Friends of Irish Freedom, urging Congress to abrogate all treaties with England; to the Committee on Foreign Affairs.

3030. By Mr. VAILE: Petition of the Denver Civic and Commercial Association, Denver, Colo., urging adequate compensation to Government employees; to the Committee on Appropriations.

3031. By Mr. WELTY: Petition of Mrs. Howard Amos et al., favoring parole of Federal prisoners; to the Committee on the Judiciary.

SENATE.

SATURDAY, April 17, 1920.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we desire to come to the tasks of this day with the inspiration of Thy name in our hearts, and to discharge the duties of the day with the power that comes to us with the touch of God upon our lives. May we not forget our divine obligations to-day. May we ever be lifting our hearts toward Thee. Abide with us as our guide and counselor and friend. May the work of the day advance the interests of the kingdom of righteousness and peace among men. We ask it for Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., April 17, 1920.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. REED SMOOT, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

ALBERT B. CUMMINS,
President pro tempore.

Mr. SMOOT thereupon took the chair as Presiding Officer for the day.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Thursday, April 15, 1920, when, on request of Mr. WADSWORTH and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives by D. K. Hempstead, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11578) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1921, and for other purposes.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills:

S. 1005. An act for the relief of the owner of the steamship *Matoa*; and

S. 1222. An act for the relief of the owners of the schooner *Henry O. Barrett*.

PETITIONS AND MEMORIALS.

Mr. LODGE. I present a memorial from the executive council of the National Civic Federation, New York City, comprised of Alton B. Parker, president; Samuel Gompers, vice president; V. Everit Macy, treasurer; Ralph M. Easley, chairman executive council; John Hays Hammond, commercial department, regulation of industrial corporations; William Jay Schieffelin, chairman committee on national defense; Louis A. Coolidge, chairman welfare department; Francis R. Mayer, chairman industrial training department; Miss Maud Wetmore, chairman woman's department; Louis B. Schram, chairman industrial accidents prevention department; A. J. Porter, chairman minimum wage commission; August Belmont, chairman workmen's compensation department; Warren S. Stone, chairman social insurance department; Emerson McMillin, chairman department for the regulation of public utilities; George W. Perkins, chairman department on profit sharing; Vincent Astor, chairman food and drugs department; Jeremiah W. Jenks, chairman department on industrial mediation; Talcott Williams, chairman industrial economics department; William R. Wilcox, chairman department on pensions; Gertrude Beeks Easley, sec-

retary executive council; and D. L. Cease, secretary the National Civic Federation, remonstrating against the recognition of the Russian Soviet Government by the Government of the United States. I move that the memorial be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. RANSDELL presented a petition of sundry citizens of New Orleans, La., praying for the repeal of the so-called Volstead law, which was referred to the Committee on the Judiciary.

Mr. PAGE presented a petition of sundry citizens of Pittsford, Vt., praying for the recognition of the republic of Ireland, which was referred to the Committee on Foreign Relations.

Mr. PHELAN presented a petition of sundry veterans of the Spanish-American War, inmates of the Soldiers' Home, Sawtelle, Calif., praying for the passage of the so-called Sells bill to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, which was ordered to lie on the table.

He also presented a petition of Sebastopol Post, No. 39, American Legion, of Sebastopol, Calif., praying for the passage of the so-called Davey sedition bill, which was ordered to lie on the table.

Mr. CAPPER presented a petition of the Birchdale Farmers' Union, of Sauk Center, Minn., praying for the enactment of legislation providing for collective bargaining, which was referred to the Committee on the Judiciary.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4238) relating to street car fares in the District of Columbia; to the Committee on the District of Columbia.

By Mr. McNARY:

A bill (S. 4239) providing for the reclassification of the hull and boiler inspectors of the collection district comprising Portland, Oreg.; to the Committee on Commerce.

By Mr. NUGENT:

A bill (S. 4240) granting an increase of pension to Byron Cupernull (with accompanying papers);

A bill (S. 4241) granting a pension to Thomas B. Beall; and

A bill (S. 4242) granting a pension to Delphine Chapin (with accompanying papers); to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 4243) to extend the provisions of the retirement law for the Lighthouse Service to include Joseph P. Groux, former keeper of the Chefuncte River Range Light Station, Louisiana; to the Committee on Commerce.

A bill (S. 4244) authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands; to the Committee on Public Lands.

By Mr. HALE:

A bill (S. 4245) granting an increase of pension to James S. Pendergast (with accompanying papers); to the Committee on Pensions.

By Mr. NEW:

A bill (S. 4246) granting a pension to William B. Lewis (with accompanying papers); and

A bill (S. 4247) granting a pension to Edgar L. Thompson; to the Committee on Pensions.

THE MEXICAN SITUATION.

Mr. SMITH of Arizona. Mr. President, my colleague and I have received telegrams touching the Mexican situation. I should like to read one to the Senate.

It is as follows:

Associated Press dispatch states request made to Washington that Mexican troops be allowed transportation through Arizona. Granting that request will be against interest of United States and Americans in Mexico. We urge you make every effort to prevent Mexican troop movement through Arizona.

NOGALES CHAMBER OF COMMERCE.

Mr. President, I am heartily in sympathy with the Nogales Chamber of Commerce which sends this dispatch to us.

I shall take only a minute. In the investigations on the border we found that in every particular the Carranza government has stood against every interest of the United States. While he has been guarding the border with his own men he has never returned a single one who has committed a depredation in the United States who has gotten across into Mexico. His own soldiers in his own uniform were killed in committing depredations in our country, and now the request is made of the United States to be permitted to send troops through the State of Arizona to assail the only one of the States of the Republic of Mexico that has been apparently in any sympathy

with the efforts of the United States to bring about peace and order in that Republic.

Mr. NEW. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Indiana?

Mr. SMITH of Arizona. I yield.

Mr. NEW. I merely rose to suggest that I think the Senator from Arizona is making his address at the wrong end of the Avenue.

Mr. SMITH of Arizona. I have attended to that already. As far as I could, I left my protest with the office of the Secretary of State by phone immediately on receipt of the telegram. I feel confidence in the State Department, and I merely wish publicly to call the attention of the country to the protest of the people of Arizona against sending Carranza soldiers through the State of Arizona for the purpose of subduing, killing, and carrying on, probably, in the State of Sonora the same depredations which they have carried on against their own people wherever they have found them out of sympathy with the Carranza government. Knowing something of the conditions in Mexico and the awful chaos existing there under the alleged Carranza government, my sympathy is with the people of Sonora, and I hope that our Government, so often contemptuously treated by Carranza, will not aid him in his efforts to brutally subdue the people of Sonora to longer wearing the yoke which his injustice and cruelty and graft have made unbearable.

Mr. ASHURST. Mr. President, after what my esteemed colleague [Mr. SMITH] has stated nothing further need be said, because he has so thoroughly covered the ground, and I shall detain the Senate only for a moment on this subject.

My colleague and I have been to the War Department so many times that I shall not attempt to enumerate them, urging the War Department to maintain an adequate force of troops on the Mexican border, so that the lives and property of citizens of the United States, in the United States, at least, may be safe on the soil of their own country. We have asked for that, and I now warn the War Department that they have a totally inadequate number of troops on the Mexican border. The dispatches announce—and my colleague and I both have telegrams from Arizona to the same effect—that the Department of State is considering the advisability of permitting so-called Carranza troops to pass through Arizona and attack Hermosillo, the capital of Sonora.

Arizona some few years ago was made a highway through which such marauders might pass from El Paso to Douglas to attack troops of another faction, but now it is announced that the Carranza régime, which is so debilitated that I can not refer to it as a government, has asked permission for a large number of its troops to entrain at El Paso, Tex., pass through a part of the State of Texas, pass through New Mexico, and leave the train at Douglas or Nogales, cities on the Arizona border, and proceed thence southerly to attack the forces of the provisional government of the new Republic of Sonora.

Mr. KNOX. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Pennsylvania?

Mr. ASHURST. Just let me finish the sentence, and then I will yield.

I hope the appropriate branch of our Government will decline to permit the gang of Carranza bandits to pass through Arizona; but the Federal Government is not the only authority that has a duty in this matter; the State of Arizona has a duty to perform, and I hope the governor of that State will show true American courage and manhood and repel with force of arms any marauders or bandits who attempt to pass through Arizona on a train or otherwise. The time has come when, if Arizona is to have no protection from the Federal Government, the State is going to protect herself with her own strong, good right arm. Now I yield to the Senator from Pennsylvania.

Mr. KNOX. Mr. President, my purpose in interrupting the Senator from Arizona was a merciful one. I merely wanted to relieve him of his just indignation by calling his attention to the fact that the State Department has declined to issue the permit to which he has referred.

Mr. ASHURST. I am immensely relieved, and I congratulate the State Department.

Mr. SMITH of Arizona. Mr. President, if I may be permitted, I wish to say that I tried to get information this morning in reference to this matter, and I left word at the State Department as to the wishes of the people and as to my own judgment in reference to the subject. I am particularly gratified to have the information from the Senator from Pennsylvania that the State Department has declined the request of the Carranza Government.

THE BUILDING SITUATION.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably without amendment the resolution submitted by me on the 15th instant, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 350) was read, as follows:

Whereas the general construction of houses, manufacturing establishments, and buildings necessary for the development of the Nation's resources, the production of essential materials, and the amelioration of present housing conditions, was curtailed by Federal action during the war and is now seriously hampered by an unprecedented demand for consumables and luxuries which has diverted capital, labor, and materials into nonproductive or nonessential fields; Therefore be it

Resolved, That a committee of five Senators, consisting of three members of the majority party and two members of the minority party, appointed by the President of the Senate, is hereby authorized to inquire into and report to the Senate on or before December 1, 1920—

(a) The existing situation in relation to the general construction of houses, manufacturing establishments, and buildings, and the effect thereof upon other industries and upon the public welfare; and

(b) Such measures as it may deem necessary to stimulate and encourage such construction work, to encourage popular investment rather than spending, to foster private initiative in building, and to insure cooperation between labor and persons or corporations engaged in transportation, banking, or other business necessary to the development of such construction.

Such committee is hereby authorized during the Sixty-sixth Congress to sit during the sessions or recesses of the Congress, at Washington or at any other place in the United States, to send for persons, books, and papers, to administer oaths, and to employ experts deemed necessary by such committee, a clerk and a stenographer to report such hearings as may be had in connection with any subject which may be before such committee, such stenographer's service to be rendered at a cost not exceeding \$1 per printed page, the expenses involved in carrying out the provisions of this resolution to be paid out of the contingent fund of the Senate.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Is there objection to the present consideration of the resolution?

Mr. GRONNA. Mr. President, just a moment. Will the Senator from New York explain the resolution? It seems to cover a large scope. Is it the intention of the Senator to have an investigation going on with the idea of encouraging building when perhaps the result will be in the future to eliminate bonds from taxation? Is that the idea?

Mr. CALDER. Mr. President, there is to-day in the United States a shortage of about a million homes. We need investment to-day in buildings to the extent of at least \$4,000,000,000. In every large city in the country there is a crying need for homes for people to live in.

Here in the District of Columbia we passed the Saulsbury resolution and the Ball Act. In New York State and other States the legislatures have enacted laws which seek to stop the profiteering landlords, but nowhere in the United States has there been anything done to bring about a coordination or cooperation among all the elements that have to do with increasing building construction.

I have had some experience with this subject. It happens to be a profession that I have followed all my life. I have had occasion during the past year to discuss this question with men who manufacture building material, who have to do with transporting, furnishing fuel for and financing building operations.

The Senator from North Dakota has perhaps in mind a suggestion made by me in a bill recently introduced in the Senate which would relieve from taxation mortgages on real estate and bring about the introduction of some banking system which would relieve the bonds from Federal taxation of banking institutions where money is loaned for housing purposes only.

I did not have that particular thing in mind in this resolution, but I thought perhaps that the Senate of the United States ought to give some consideration to this most important subject, except perhaps the producing of food for the people, of any others that come before us.

Clothes wear out, furniture wears out, and food is consumed by the people immediately after its production, but houses last for a century, and in these days, when prices are at the peak, it is the most hazardous business in the country. It is the one big problem in the great cities of the country, and it seemed to me, in relation to labor, material, and transportation, perhaps a survey of the whole situation might better be made by a committee of this body than by any other function of the Government.

It is in the spirit of cooperating and coordinating of all these elements that I am bringing forward the resolution, and I offered it after conference with men of wide experience who are very anxious that some effort should be made to relieve the present difficult situation.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. CALDER. With pleasure.

Mr. GRONNA. I shall not object to the resolution, but if the Senator deems it expedient for the Government of the United States to go into the housing question throughout our entire country—has the Senator taken into consideration the fact that to-day there is not only a possibility but a probability of a shortage of food, at least a shortage of cereals, in the country? Does not the Senator think it would be of just as much importance for the Federal Government to make an investigation along those lines as along housing lines?

Mr. CALDER. I want to say to the Senator from North Dakota that I think the question of supplying food for the people is a preeminent one, much more important than the subject I am discussing. The production of food comes first, but housing the people is the second.

I might say to the Senator that in this country in normal times we construct each year about \$3,000,000,000 worth of houses. I think it is the second or third largest industry in the United States.

I noticed in this morning's newspapers a statement made before the Committee on Immigration of the House that we were 40 per cent short of building labor in New York City, and those men urged that we pass no more restrictive immigration laws at this time. That is a subject the committee might inquire into, and the whole matter considered in its bearing on these questions.

I repeat that I am only interested in this subject from a constructive standpoint.

I trust the Senate will bear with me for a moment longer. Recently in New York I made inquiry about some building projects in which I am interested, and found that by purchasing standard plumbing material we could save 25 per cent in some lines. So having all these things in mind, it seemed to me some good would surely come from this investigation.

Now, just one word more. Great Britain during the past 10 years has found it necessary to go into the building of houses itself. It began, first, by loaning money to builders and then, second, by subsidizing builders to build tenements for people to live in, and now the English Government is actually in the business of building houses itself. I deplore that policy. I shall stand against it here with every power I possess. It is in the interest of preventing that situation and getting everybody interested working together that I have brought forward the resolution.

Mr. KING. I shall not object to the consideration of the resolution. In my opinion, however, its passage will accomplish no useful purpose, and will only emphasize the limitless power which Congress is asserting over the domestic concerns of the people. When it comes up for consideration I shall ask the Senator from New York a question or two, and briefly comment upon the provisions of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution? The Chair hears none, and the question is on agreeing to the resolution.

Mr. KING. Mr. President, the resolution which has just been offered by the Senator from New York is quite in harmony with the views of many people nowadays with respect to the duties, powers, and functions of the Federal Government. The Senator from Colorado [Mr. THOMAS] has repeatedly called our attention to the fact that whenever any problem exists in any of the States or in any community, redress is immediately sought at the hands of the Federal Government. If the housing situation is acute in any community, immediately the attention of the people is directed to the Federal Government and appeals are made for Congress to legislate to furnish the desired relief. No matter whether the question is sociological or political or industrial or scientific or of a purely domestic and internal character, some people immediately conceive the idea that the Federal Government, in the plenitude of its power, may relieve the situation.

My good friend, the Senator from New York, has just alluded to the fact that Great Britain, because of the lack of housing facilities, has upon a number of occasions made appropriations for the purpose of erecting homes for the people. I hope the Senator from New York does not cite that as an example to guide the American Congress or to determine the course of procedure of a Republic such as this, where its powers are limited and are only such as have been granted by the States and the people residing therein. Too often we are referred to other nations for precedents to guide us in dealing with American questions. And the American people are being led into dangerous experiments and paternalistic legislation by the heretical and

destructive doctrines so constantly advocated throughout the land. The policies of kingdoms and nations whose governments are entirely different from ours are appealed to in support of legislation fiercely championed by many Americans, legislation unconstitutional and hostile to the true interests of the people and the perpetuity of free institutions.

Mr. CALDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield.

Mr. CALDER. I would say to the Senator from Utah that I propose to resist with all the power I possess, here and elsewhere, any effort on the part of anyone to induce the Congress of the United States to go into the business of supplying houses for the people. I do not believe it ought to do so; and the purpose of the proposed inquiry is to bring about cooperation between all the elements interested in constructing houses and to interest people privately in the subject, for the purpose of offsetting a movement which I know is now in progress.

Mr. KING. Mr. President, I am glad to have the disclaimer of the Senator from New York. However, I fear that his resolution will encourage many people to demand that which he says he will oppose. If his resolution expressed a denial of the power of the Federal Government to enter upon the scheme of housing the population within the States, it might have some efficacy in extirpating the view which he says he will oppose, that Congress shall provide houses for the people. But it appears to me that the resolution will be regarded by many as a recognition by Congress of both its duty and its right to enter upon the stupendous work of building homes for the people of the United States.

I regard with misgivings the attitude of so many public men, as well as so many of the people, with respect to the powers and functions of the Government.

I know that it is popular with many to secure Federal aid and great appropriations for the States and for local communities. The idea of a government of limited powers is not appealing to many of our citizens. They want a "powerful" government, one without limits; one that may enter the States and destroy them and assume the responsibilities which under our form of government they have assumed.

It is so easy to appeal to Congress for appropriations for local and State concerns, and it is so easy to believe that its Treasury is inexhaustible, and that it is supplied without imposing any burden upon the people.

Mr. President, in every schoolhouse throughout this broad land there should be instructions given to the boys and girls who soon will be called upon to bear the burdens of citizenship in regard to our Constitution and the powers and duties of the States and the people within the States. They should be taught that liberty can only be preserved by men and women who are independent and who will defend individualism and local self-government.

Mr. President, I shall be very glad to have some one point to the authority that the Federal Government has to make appropriations to build houses for individuals within the States. During the war we thought, as a war measure, that we were justified in making appropriations for the purpose of constructing houses, in order that the employees of the Government might be properly cared for and render the efficient service so indispensable to carrying the country through the great war in which it was engaged; but, as I understand the Senator, the inference is drawn that there is power in the Federal Government to appropriate money for the erection of houses for private individuals in the various States.

Mr. CALDER. If the Senator will permit me—

The PRESIDING OFFICER. Senators desiring to interrupt the Senator having the floor will please address the Chair.

Mr. CALDER. I beg the Chair's pardon. I ask permission to interrupt the Senator from Utah.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield.

Mr. CALDER. I thank the Senator. I will say to the Senator from Utah that I know of no law on the statute books permitting the appropriation of money for the erection of houses by the Government. I will also say to the Senator that when such a suggestion came during the course of the war I resisted it, because I believed then that the great war manufacturing plants of the country could provide their own housing.

I spoke then against it, and I will protest if it is ever attempted here. It is to prevent that very contingency that the resolution is introduced, and I am hopeful that will be the result of the inquiry to be made.

Mr. KING. The Senator has referred, and I also referred a moment ago, to appropriations made during the war for housing purposes. I then shared the views that were entertained by the Senator, and I felt that the appropriations which we were making at that time were unnecessary. I believe that such appropriations have resulted in waste and in extravagance and failed to accomplish any beneficial purpose. It is possible that some of the houses constructed in the city of Washington may have served a useful purpose, and yet I reserve my judgment with respect to that matter. But, Mr. President, I again invite attention to the heresy that is now so prevalent in the United States. I can not quite understand the reason why the distinguished Senator from New York offers this resolution; I do not quite understand what good he seeks to accomplish by the resolution or what avenues may be opened up legitimately or what instrumentalities may be invoked properly as a result of this resolution. Does the Senator think that the result of the proposed investigation will lead to the appropriation by Congress of money to the States or to corporations or to private individuals in the nature of loans to aid the States or corporations or individuals in the construction of houses?

Mr. CALDER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield to the Senator from New York.

Mr. CALDER. In reply to the Senator's statement, I will say that I have no such notion, and I shall oppose vigorously any effort on the part of anyone to have the Federal Government build houses in the several States or to lend money for home building. The purpose of the proposed inquiry is to obtain information in order to coordinate, if possible, all the elements that go into the construction of buildings; to secure cooperation, if we can, on the part of those who manufacture building materials, on the part of those who transport building material, on the part of the producers of fuel needed in the manufacture of building material, and on the part of labor and of capital.

Mr. KING. Mr. President—

Mr. CALDER. If the Senator will permit me further, the Federal Government is responsible largely for the condition in which we find ourselves to-day. During the year 1917 the Treasury Department advised against building construction; during the year 1918 the War Industries Board forbade building construction. The purpose of this action was well intended, for it was believed that such action would tend to furnish labor and capital and material for war purposes. I felt then that it was not wise to take such action, that building construction was an important and essential business that should not have been stopped. The Government diverted business from its normal channels, so that many of those who formerly labored in connection with building construction went into other lines. We have not yet gotten back to normal times. It is my opinion that possibly as the result of the inquiry which will be made, and as a result of the information which will be obtained, nation wide in its scope, people may be induced to work again in the way they ought to work. I want to have a real, helpful, constructive inquiry that will accomplish the very object for which the Senator properly preaches on this floor.

Mr. KING. I should like to ask the Senator what he expects to be the result of the proposed investigation? What information does he seek? And, if I may be permitted to make a further suggestion, so that the Senator will get my attitude in respect to this matter, we know now, as the Senator has explained, that there is a great shortage in the United States of housing facilities; we know that during the war, as the Senator has said, capital was so necessary for the prosecution of the war that many industries were interdicted by Federal agencies and Federal instrumentalities. Whether that interdiction was wise or not, men, of course, will have various opinions, but the people know that they need more homes; men who have money to loan know that there is a shortage of houses. The investors, whether corporations or trust companies or individuals, know that there is a shortage of houses, and they know that real estate investments are frequently highly profitable. There is full information upon these matters, and, if not, the investors could quietly assemble the data bearing upon these and cognate questions. Does the Senator think that any information that this committee might obtain would further elucidate these questions or supply more convincing proof to the people of the country of the shortage of houses in the various municipalities and States? The people know the facts about the shortage of labor, the high prices demanded for building materials, the wages paid to the various crafts employed in building operations. They know the condition of the money market, the rental charges, the profits or losses on real estate investments. What is then to be

gained by an investigation? Moreover, what can Congress do when the information is furnished which this resolution calls for?

What is proposed shall be done with the results of the investigation? Will Congress be asked to aid in the building of houses, or loan Federal funds to private persons? Nothing concrete or tangible is sought by this resolution, and it will be regarded as an entering wedge for Federal aid for housing purposes. The Senator knows that wherever capital sees a broad field that promises adequate returns for investment money will go there. There was a time when the surplus money available for investment went into railroads; at one time it went into irrigation projects; and so, from time to time, the money seeking investment is diverted from one channel into another. Wherever the owner of money finds that he can invest it to advantage, there he will make the investment. If the erection of houses promises adequate returns to the landlord, money will be invested in the construction of houses.

How does the Senator think this committee is going to relieve the situation? What can it report that will relieve the situation? We know the shortage of houses. We know the shortage of labor. We know the acute conditions that prevail in many of the avenues of our Government. Now, what can the Senator suggest may be done in a concrete way to relieve the situation?

Mr. CALDER. Mr. President, there is to-day a shortage of building material of every character. There is a shortage of railroad facilities to transport building material. There is a shortage of fuel necessary for the manufacture of building material; and there is great need of additional labor for the construction of buildings. Although some building investments are attractive, there is a great shortage of money to finance building operations. I will say to the Senator from Utah that men of great wealth who formerly invested some part of their means in mortgages on real estate are rapidly calling in these mortgages, the reason being that the high income and excess-profits taxes on large incomes have reduced the net income on these investments to the neighborhood of 2 per cent, so that much money that formerly went into mortgages is now being invested in State and county bonds, for these securities are exempt from all Federal taxes.

The proper assembling of this information, a complete survey of the Nation's housing needs and of its building-material possibilities, can be accomplished by a committee of this body better, it seems to me, than by any other instrumentality in the country. There is some dignity to an inquiry by this body. If this information can be obtained, if the facts can be gotten together, it will be a source of help, it seems to me; and I may say, Mr. President, that in this view I am borne out by the opinion of gentlemen engaged in the construction business. Many of them have discussed the matter with me and urged that some such information be gotten together, so that we might cooperate with all the different interests and bring about a return to normal times.

If the Senator will permit me, I have made some study of this subject. To-day it costs 75 per cent more to build a house than last year and 150 per cent higher than prewar prices.

Perhaps the Senator is right; perhaps this investigation will accomplish no good purpose at all, but it seems to me it is worth trying. There is a pressing demand for homes for people to live in; this body can do no better work than to try to help relieve the situation. That is my purpose.

Mr. KING. Mr. President, I had hoped that the Senator from New York could justify the passage of this resolution, and I have listened sympathetically to the suggestions which he has made; but I confess that he has furnished, at least to my mind, no satisfactory reason that the passage of this resolution will serve any useful purpose.

I am told that in the Senator's State many tenants are being held up, not so much by the original landlords, the builders of the houses, but by corporations recently organized, which have taken over long-term leases from the owners of tenement houses, apartments, and so forth, which have been leased to and are occupied by thousands of families. These corporations as soon as they acquire control of these properties increase the rents in an extortionate way. It is a sort of a hold-up game that is being practiced, I am told, in the Senator's own State.

Mr. LODGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. FREELINGHUYSEN in the chair). Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. KING. I do.

Mr. LODGE. Does the Senator think that defeating or stopping this resolution will cure that condition?

Mr. KING. Oh, no; obviously not. I am merely alluding to that for the purpose of showing how unimportant this resolution will be with respect to solving this question. The Legislature of the State of New York has been in session for some time, and many delegations of citizens have appeared before the legislature for the purpose of securing remedial legislation. Let me add, the State has a right to deal with its domestic affairs, and the people of New York went to the body which has authority to consider this question.

Mr. CALDER. Mr. President, the State has passed legislation in connection with the subject to which the Senator refers.

Mr. KING. Mr. President, I think the various States of the Union should consider this question. They have power to deal with their domestic problems; that power is denied, under our form of government, to the Federal Government. I consider the power of the States to adopt measures that will aid in the construction of houses to take care of the people within their borders. Many will think it savors too much of socialism, and yet, if the States desire, and are not hampered by any limitations in their constitutions, they may enact measures which will aid in the building of homes for their citizens.

When, however, it comes to devolving upon the Federal Government obligations and duties which rest upon local communities and upon the States, it seems to me that we are going too far. We may assemble information as to the shortage of houses in the United States. That can be very readily obtained by communicating with the various State agencies. The number of houses that are lacking in order properly to shelter the people can be very readily ascertained, and doubtless it is known by real estate investors in the various States. It is known that prices are high. The Senator has alluded to the price of fuel. The shortage of fuel is known, and the cause of the shortage of fuel. I can not conceive of any investigation that can be made that will be corrective, or that will enable the States or individuals—unless the Federal Government shall make an appropriation, and I deny its power—to correct the situation against which the Senator inveighs.

Mr. President, it seems to be the chief duty of Congress to investigate not national questions and concerns only but the most puerile and unimportant matters. Congress is supposed to be the guardian of the people—their lives and fortunes and domestic concerns. It may cross every threshold, take cognizance of every individual, order his life, and supervise his conduct.

We are no longer citizens of States. We no longer, under this new creed, owe allegiance to any State. Indeed, we no longer may order our own lives. The National Government is the omnipotent power which controls us and with increasing power rules individuals and undermines States.

The war has dislocated business, interrupted the orderly processes of peace. There is confusion in our thoughts as well as in our lives. We are still suffering from shell shock and hysteria. This is an hour for calm and rational thinking and for sane and patriotic action. More than ever we should defend the rights of the individuals and the States. We should weigh carefully the experiments and activities of the General Government. We want a democracy, not a paternalism.

Mr. President, this resolution, of course, will pass. It is in harmony with the views of the new federalism which is sweeping the country and which threatens to destroy the States and build up a centralized bureaucratic tyranny, whose oppressive hand will extend to every corner of the land.

The PRESIDING OFFICER. The question is on agreeing to the resolution reported by the Senator from New York.

The resolution was agreed to.

DISTRICT STREET RAILWAYS.

Mr. JONES of Washington. I ask unanimous consent that the resolution which I submitted yesterday relating to the street car situation in the District of Columbia may be passed over without prejudice and remain on the table.

The PRESIDING OFFICER. Without objection, it is so ordered. [At 12 o'clock and 45 minutes p. m.] The morning business is closed.

DUTY ON PRINT PAPER.

Mr. SMOOT. Mr. President, there are two bills upon the calendar which ought to be passed, and I do not believe they will lead to any discussion whatever. One is a bill to amend the revenue act so as to allow print paper to come into the United States free up to the value of 8 cents a pound. They are both House bills, and there is really a necessity for their passage or I would not ask at this time that they should be considered. I want to say, however, that if they lead to any discussion whatever, I will withdraw the bills from consideration. I am quite sure, however, the Senate will realize the

necessity of the early passage of the bills. I ask for the immediate consideration of the bill (H. R. 12260) to amend section 600 of the act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the present consideration of H. R. 12260. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That section 600 of the act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes," be amended so as to read as follows:

"SEC. 600. That paragraph 322, schedule M, and paragraph 567 of the free list of the act entitled 'An act to reduce tariff duties and to provide revenue for the Government, and for other purposes,' approved October 3, 1913, be amended so that the same shall read as follows:

"322. Printing paper (other than paper commercially known as handmade or machine handmade, Japan paper, and imitation Japan paper by whatever name known), unsized, sized, or glued, suitable for the printing of books and newspapers, but not for covers or bindings, not specially provided for in this section, valued above 8 cents per pound, 12 per cent ad valorem: *Provided, however,* That if any country, dependency, Province, or other subdivision of government shall impose any export duty, export license fee, or other charge of any kind whatsoever (whether in the form of additional charge or license fee or otherwise) upon printing paper, wood pulp, or wood for use in the manufacture of wood pulp, there shall be imposed upon printing paper, valued above 8 cents per pound, when imported either directly or indirectly from such country, dependency, Province, or other subdivision of government, an additional duty equal to the amount of the highest export duty or other export charge imposed by such country, dependency, Province, or other subdivision of government, upon either printing paper or upon an amount of wood pulp or wood for use in the manufacture of wood pulp necessary to manufacture such printing paper.

"567. Printing paper (other than paper commercially known as handmade or machine handmade paper, Japan paper, and imitation Japan paper by whatever name known), unsized, sized, or glued, suitable for printing of books and newspapers, but not for covers or bindings, not specially provided for in this section, valued at not above 8 cents per pound, decalcomania paper not printed."

SEC. 2. That this act shall expire by limitation at the end of two years from the date of its passage, and section 600 of the act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes," as in effect prior to the passage of this act, shall again become operative in its stead.

Mr. KENYON. Will not the Senator explain the bill?

Mr. SMOOT. It will take just a moment. The only change in the existing law is that it strikes out "5 cents per pound" and inserts "8 cents per pound." In other words, the value of print paper in foreign countries exceeds now 5 cents per pound, and with this amendment increasing the amount to 8 cents a pound print paper from some countries, we hope, will come into the United States free, as the law provides now for paper below 5 cents a pound. This provision, however, is limited to only two years. That is all the change it is proposed to make in the existing law.

Mr. KING. Why would it not be a wise legislative enactment, in view of the great scarcity of print paper, and indeed all forms of paper in the United States, to remove all restrictions?

Mr. SMOOT. If we can remove the shortage of print paper, then there will be paper stock to take care of the making of other classes of paper. I have a diagram in my desk here showing the wonderful increase there is in the consumption of print paper. One can hardly realize what it is. I am afraid we can not get sufficient print paper from foreign countries in any considerable quantity, but if we can it will relieve the situation just as much as if we changed the entire law affecting the importation of all kinds of paper.

There are some kinds of paper now exported from the United States of the better grades upon which I have sometimes thought there ought to be placed an embargo. But there is a question, of course, in the mind of the officers of the department, and I think of all Senators and Representatives, too, as to whether we really have the power to place an embargo upon the exportation, unless it be done under the war power.

Mr. KING. I do not care to enter into a discussion of the powers of the Federal Government to place embargoes upon exports. That question was very fully considered more than a hundred years ago, and upon a number of occasions the power was asserted by men of very distinguished ability, and those who had to do with laying the foundations of the Republic.

Some time ago the Senator from Arizona [Mr. SMITH] invited the attention of the Congress and the country to this important question of paper in all of its phases. I opposed the bill which he then brought forward, because I felt that it was projecting the Federal Government into private business, and that it would not accomplish the end in view.

It seems to me, Mr. President, that this would be a good time for us to apply a little common sense to the question of importations. There is not sufficient paper manufactured in the United States. I am not sure whether those who are en-

gaged in the manufacture of paper are charging too high a price for the product, but my information is that they are. For my part, I would like to see paper placed upon the free list, so that we may bring into the United States as much paper as we possibly can for the imperative needs of the public. I regret that this bill does not go a little further.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PREVENTION OF UNFAIR FOREIGN COMPETITION.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the bill H. R. 10918, an act to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes. This is the antidumping bill. The bill was reported from the Committee on Finance, and the object of the bill is to prohibit the dumping of goods in the United States at a price less than the prices for which they are sold in foreign countries.

The immediate need of the bill, however, Mr. President, is to prevent the dumping into the United States of airships which have been purchased from England, some ten thousand of them, some of which are on the way now. I understand they were purchased of the English Government by a concern which is advertising them for sale from one end of this country to the other, and not only in this country, but in all parts of the world. There are 10,000 planes; there are engines for nearly 30,000; and if they are dumped into this country under present conditions we might just as well abandon the making of American planes until they are all disposed of.

If there is any objection to the present consideration of the bill, or if it is going to lead to any discussion, I will not take the time of the Senate, because I know the Senator from Washington [Mr. JONES] desires to bring up the river and harbor appropriation bill.

Mr. KING. I think I shall object to the present consideration of the bill. I should like to have an opportunity to investigate it.

Mr. SMOOT. Then I withdraw the request.

RIVER AND HARBOR APPROPRIATIONS.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 11892, the river and harbor appropriation bill. It is doubtful if a quorum could be obtained if a quorum call were made at any time to-day. So it is my purpose to proceed with the consideration of the bill and have adopted such amendments of the committee as can be adopted without any special objection, and any provision which any Senator desires passed over there will be consent given for that purpose.

Mr. KING. I did not hear fully the Senator's statement. Is this the first consideration of the bill?

Mr. JONES of Washington. We have proceeded a part of the way with the bill. Some amendments have been passed over.

Mr. KING. Does the Senator expect to have the bill passed to-day?

Mr. JONES of Washington. No. As I said, I expect to have the Senate proceed with the consideration of the bill, and any provision that any Senator desires to have passed over will be passed over, and any provision for the consideration of which any Senator would like to have a quorum will be passed over. So my only hope to-day is that amendments to which there is no special objection can be adopted, and then when we get the bill up again we will know what particular propositions are at issue.

Mr. KING. I have been absent for several days. I would like to have the attention of the junior Senator from Iowa [Mr. KENYON]. If the request of the Senator from Washington has his approval I will be very glad to accede to it.

Mr. KENYON. I will say to the Senator that the bill has been under discussion here during his absence. There was one provision at least to raise the amount appropriated under the bill from 12 million to 20, which has gone over. So there will be no vote on that amendment to-day.

Mr. SMOOT. I do not think it would take very long for the Secretary to read the amendments which have been reported by the committee. I understand the Senator from Washington to state that that is all he desires at this time.

Mr. JONES of Washington. I shall not try to have any action taken on any provision to which any Senator objects and asks to have go over.

Mr. KING. I make no objection to the Senator's request.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11892) making appropriations for the construction, repair, and preser-

vation of certain public works on rivers and harbors, and for other purposes.

The PRESIDING OFFICER. The pending amendment is the amendment of the Senator from Utah [Mr. SMOOT] to the amendment of the committee on page 7, to strike out lines 21, 22, and 23.

VALUE OF COTTON CONTRACTS.

Mr. COMER. Mr. President, I hold in my hand a copy of the CONGRESSIONAL RECORD of April 15, and in it there appears this item from the New Orleans Times-Picayune:

Cotton grower and cotton spinner again have clashed, and Senator COMER, himself one of the Nation's wily spinners, is attempting further to fasten upon our great crop the fetters of a "spinners' contract." Thereupon the cotton trade, representing farmer and cotton banker, cotton factor, and cotton dealer of the exchanges, are up in arms to defend their very reasonable and logical position.

Senator COMER's assault is in the form of a "rider" to the Agricultural bill, designated as the "Comer rider," which, if adopted, will reduce the volume of tenderable cotton by many hundred thousand bales and will throw that amount of useful, spinable cotton into the class of low grades, refused admission to the exchanges and deprived of the "hedge" protection which has such great importance in all cotton dealings.

I read now from a circular issued by H. & B. Beers Cotton Co., a cotton factor, member of the New Orleans exchange:

The absurdity of eliminating the grades above mentioned from delivery on contract is shown by the fact that middling tinged, which is at present untenderable, sells to-day at 475 points higher than low middling white, which is tenderable, or \$23.75 per bale in excess.

Notwithstanding the elimination in March, 1919, of the preceding grades and the narrowing thereby of a free market for the producer, the Comer "rider" now proposes to eliminate 50 per cent of the grades below middling now tenderable, which will still further restrict the amount of merchantable and spinnable cotton available for deliveries on contract to the absolute and certain detriment of the producer.

The Comer amendment would, if adopted, make the contract entirely unsatisfactory to all interests except the spinner, who would be privileged to demand the best of grades on contract, thereby depriving the market of an outlet for the low grades, leaving the farmer, the southern spot holder, southern banks and merchants to carry the bag. In a word, the Comer amendment would place the southern cotton industry at the mercy of American and European spinners.

In other words, it would outlaw and deprive of price insurance 75 per cent to 80 per cent of low-grade merchantable and spinnable cotton raised by the farmers, and make it impossible for them to find a ready market for their product.

In answer both to the statement of the Times-Picayune, New Orleans, and Messrs. H. & B. Beers Cotton Co., New Orleans, will state that I am a spinner; that our company has 200,000 spindles in active operations, and we consume 60,000 bales cotton, and in the different mills (we have eight) we manufacture all grades, from ordinary to strict good middling. Will further state that we have handled 25,000 bales cotton contracts within the past season as hedges; that we have never demanded or received a bale through the exchange, but each and every time have bought the spot cotton in the spot market and sold the hedges when cotton was so bought, and that is the ultimate design of the exchange.

Mark you, we ourselves have bought 25,000 bales as hedges through the exchanges, and in this business we have not received one single solitary bale of cotton. It was not intended we should receive a bale. We bought the spot cotton and sold the hedges.

Any proposition which makes the exchanges the protector of the farmer as against the spinner is preposterous. The spinner is the buyer and consumer of cotton and not the exchanges, and anybody can understand how the spinner had rather have a firm and advancing cotton market than a vacillating declining market. The buyers of goods are possibly the smartest people in the world, and whoever knew or heard of one of them placing a big contract on a vacillating or declining market. A spinner's contract, meaning by that one in which the spinner has the advantage over the farmer and dealer, is impossible. An exchange contract is protective alike to every legitimate handler of cotton, including the farmer, the dealer, the spinner; their interests are identical, and it is impossible to separate them. The Messrs. Beers state that the Comer amendment "would place the southern cotton industry at the mercy of American and European spinners," as it would give them all the choice cotton, leaving the merchants, farmers, and bankers to hold the bag, which is supposed to be full of low grade, undesirable cotton. Messrs. Beers should know that the spinners, both English and American, go on the market and buy the spot cotton of such grades as they can use, making such goods as their customers demand, notwithstanding the higher grades have not been used in the exchanges for years.

The exchanges have not sold a bale of middling cotton in years. They do not intend to sell that kind of cotton. There has not been any middling or above delivered to the exchanges for years. I say notwithstanding this, through the demand of the spinners for that class of cotton, the high grades are much

higher relatively than the low grades which do pass through the exchanges.

The low grades pass through the exchange, and they themselves say it is too low, too comparatively low. The high grades do not pass through the exchanges at all. The price is made by the demand, just like all other prices on all commodities are made.

The spinners in the largest measure are not demanding a bale through the exchanges, and their usufruct, as I have stated in my own case, is a hedge. Our company yesterday and to-day closed out 5,000 Mays which we were carrying as a hedge, and bought advance months as a further hedge. There was not a bale of exchange cotton, good, bad, or indifferent, delivered.

We use the exchanges as they are; yes, as explained in a previous speech, we use them as a hedge; but there is no gainsaying the fact that it would be incomparably better hedge if it was a reliable, stabilized value hedge, and that is all we ask.

The question again is, Is it safe to let the exchanges write the laws governing their relation to the public? Would it not be in the highest degree prudent to write the laws governing the public's relation to this big business, protecting the people, free from exchange environment and dictation?

Among the "buggers" used by the exchange propagandist is, "Cotton is now high, and the amendment might be followed by decline." In answer, the gamblers on the exchange, with their power to assemble and tender low grade, have tried this season time and again to break the market, but have been defeated by the strength of the spot holders. This, I say, with the assembly of the whole contract tenderable in low grades. How much less could they make a fictitious market when half of the contract is high grade? Conditions being equal, it is easy to prophesy that with the amendment in operation the exchange market will be relatively higher. At any rate, the spot holders will be in a stronger position. It is also claimed that it will hurt cotton as a banking proposition. On the contrary, just as you get rid of the fictitious variations on the exchange prices the contract will be stabilized and the collateral will be more veritable. Who ever heard of a bank objecting to a more stable collateral?

In the New York Exchange, February 20, March cotton was 36.52; March 24 it was 43.18. To-day May cotton, New York, is 42.25. For the first time in years the spot market has escaped the thralldom of the exchange market and is writing records of its own value. This is what the amendment is designed to accomplish in all futures contracts, that exchange values should approximate spot values; that any legitimate dealer should hesitate it is difficult to understand. To escape the fictitious exchange records, substituting value record, can hurt no legitimate interest no matter what the grade may be.

Mr. SMITH of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. COMER. Certainly.

Mr. SMITH of South Carolina. I should like to ask the Senator if it is his idea that in case his amendment becomes law, restricting or giving the buyer the option of accepting 50 per cent of his contract, namely, 25,000 pounds of lint cotton above middling, that those purchasing the contract will not demand specific delivery, but will simply use it as a hedge, as they do now, but that the effect on the exchanges of this restrictive delivery, knowing that in case they are called for specific delivery they would have to deliver at least 50 per cent of that character of cotton that the Senator claims has not been heretofore carried, would tend to stabilize the relationship between the future market and the spot market and to make the exchange a true reflection of the actual value of the thing dealt in.

Mr. COMER. The Senator has the question exactly right. I want to compliment the Senator. That is exactly what is intended to accomplish by the amendment.

Mr. SMITH of South Carolina. The reason why I ask that question is that the amendment that I had introduced and which was agreed to restricting delivery to 10 grades was for that very identical purpose; but unfortunately the Government of the United States, through some one's advice, issued an order during the war that no goods made from cotton for Government account should be made from any grades below middling. The public was not advised of the fact, as the Senator from Alabama is advised of the fact, that, barring waste, which is greater in low grades on account of foreign substances, having stayed in the field and there being more or less trash and dirt, the tensile strength and the cloth-making qualities of the present discredited lower grades, they are quite as valuable as those of the higher grades; but that has nothing to do with the psychology of the American public to-day, because from time immemorial

the public has been educated to believe that the difference between middling and low middling and strict low middling in the lower grades, and strict middling, good middling, and strict good middling in the upper grades, is so great as to warrant this arbitrary fixing of the difference. That being the fact, it was necessary, in order to protect the public, to restrict the exchanges to delivery of such grades as the mills and the dealers would readily take up, so that they could not pile up a lot of dog-tail and snap at every point they could to absolutely control the prices on every grade.

As to the proposed amendment of the Senator, just whether or not it will have the effect that he desires and that seems to be indicated is problematical. Perhaps it would have been better if, instead of the 10 grades they had been restricted to in the first instance, as far as hedging is concerned, to have restricted them, as it is purely a hedging business that the exchanges do, in New Orleans to a greater extent than they do even in New York, and even there spot business is more or less divorced from the hedging exchange, and it is done by the spot merchants, and their exchange simply reflects the condition of the market from which the types from the table are selected.

But I wish to ask the Senator again, as I did in the first instance, if he does really think as a practical mill man that this difference between spot and future, which has misled the public heretofore, because here is May, June, July, August, and September, all the future months, quoted from about 2 to 3 or 4 cents under spot market when they know that out of the spot supply, they have to supply these markets—that is, they know they can be called to a specific fulfillment out of certain grades to at least 50 per cent, and then it will have a tendency to draw the spots and futures together and bring about what we desire, and that is that the future market which must be supplied out of the present supply should be at a premium rather than at a discount. I am contending that May, June, and July cotton, the future cotton, ought to be higher than the present spot cotton if there is going to be a shortage in supply, whereas now they are lower. The Senator has introduced the amendment hoping that that condition will come about.

Mr. COMER. The Senator's reasoning is along the correct line. The amendment simply intends to carry out the full purpose of the Smith-Lever bill of last year, and that is to stabilize contracts on spot cotton. The Senator put in 10 grades last year. Under the usufruct of the exchange more than half of it is outlawed—I am using their own expression; in other words, middling and above are never tendered in an exchange contract, and yet you intended it to be so used because you put in the 10 grades. You never intended that they should go and select only the very lowest, and you never intended that by doing so they could weaken the contract. You intended to make the contract represent the market, and that is what the contract should be. Every contract that you buy should fairly represent or reflect the commercial spot market value. That is all that is intended to be accomplished by this amendment.

Mr. SMITH of South Carolina. I wish to ask the Senator another question, and then I will not interrupt him further. I do not know just in what condition the amendment now is in conference, but studying the Senator's amendment closely, I wondered if it would not have been improved, as they now admit, upon grades on delivery if the amendment had read that the buyer should have the option to demand 50 per cent of the contract that he purchased at his option out of the 10 grades that are admissible.

The reason I suggest that is that arbitrarily fixing middling and above as his optional ground, and selling middling and below as his option of ground, the buyer being the bull ordinarily and the seller the bear, it has a tendency in the minds of the public to take the grades that the buyers may not have an option on and put them in that category where it will have the effect of still further widening the differences between the grades; whereas, if the amendment had read that the buyer should have the option to select 50 per cent of the 10 admissible grades at his option, perhaps it would not have had that effect, and yet would have served the very purpose that the Senator has in view.

Mr. COMER. I understand thoroughly what the Senator states; but the law is not just that way. The Government passes on all the grades that are offered to be delivered on contracts. Contract cotton has to be certificated by the Government. They certificate it in lots of 100 bales; and if the amendment is passed, it will be certificated, one-half of it middling and above, at the seller's option, and one-half at the seller's option from any one or combination of the 10 standard grades. If the law had been made as the Senator suggests, they could not have the certificated stock. They have to be ready to deliver. Under the law the seller has the option of tendering

the cotton any time between the 24th of the preceding month and the 24th of the month itself.

The amendment is intended to accomplish the purposes of the Senator's very wise bill. If the amendment goes through and half of the delivery is limited to middling, one can easily understand that the basis price then will be middling; that it will not be a composite price, that it will be the basis middling, the cotton middling price.

The telegram I am about to read was received at Scottsboro, Ala., and I ask Senators to listen to it:

NEW ORLEANS, LA.

Have all your merchants, farmers, and bankers to address your Senators and Representatives, that such important legislation as the Comer amendment to the cotton-futures act as a rider to the Agricultural appropriation bill is vicious legislation and is inimical to the producers, bankers, merchants, and entire cotton trade, and should be killed.

J. W. BARKDULL.

Signer of this flash is manager for H. & B. Beers, New Orleans.

The telegram from J. W. Barkdull, manager for H. & B. Beers, commission cotton brokers on the New Orleans Exchange, to Mr. Stubbs, cotton dealer, at Scottsboro, Ala., does not say that the amendment is inimical to the exchanges at all, yet this is an exchange man who is telegraphing to various people to wire their Senators objections to this bill because it hurts the farmer. That is the cue, it helps the spinner and hurts the farmer. You know they always say it hurts the farmer.

Here is another telegram from Georgia:

CUTHBERT, GA.

Hon. B. B. COMER: Here's hoping that your amendment will be made a law; also that our Georgia Representatives up there will stick to you. In our opinion there has never been any bill introduced that is of as much vital importance to the South, and especially the cotton farmers.

KING LUMBER CO.

The statement of the King Lumber Co. is true; there has not been a more important measure introduced at this session.

Here is a telegram from Mr. J. S. Wanamaker:

ST. MATTHEWS, S. C., April 5, 1920.

Hon. B. B. COMER: Tide has turned very much in favor of your amendment. Receiving telegrams assuring support. If you can prevent misunderstanding concerning meaning, think it will pass. Report sent out that you use the word "cotton" has option where it should read "buyer." That amendment so poorly worded will be subject to various interpretations if passed. Urge that you give out interview to-day clearing defining amendment and reasons for its passage—

The exchanges understand it; they know what it means—

Stick to your boat like Columbus when a green bush has been found.

J. S. WANAMAKER.

Mr. DIAL. Who is Mr. Wanamaker? I know myself, but I should like to have the Senator state who he is.

Mr. COMER. He is president of the American Cotton Association.

Mr. SMITH of South Carolina. He is president of the American Cotton Association.

Mr. DIAL. And is a large planter in South Carolina. I know him, but I wanted the information to appear in the RECORD.

Mr. COMER. Yes; and when a planter, no matter where he lives, and when the ordinary dealer, no matter where he is located, is not in favor of the amendment it is because he has been made not to understand it.

I now read a telegram from Hon. M. C. Allgood, commissioner of agriculture of Alabama:

MONTGOMERY, ALA., April 6, 1920.

Hon. B. B. COMER: Fully indorse your amendment and ready to do anything that will assist you in any passage. Best evidence that it will benefit general public is shown by opposition coming from the Wall Street manipulators. In regard to Calvin, he was under fire last year at New Orleans cotton meeting.

Of course, Mr. Calvin is simply an exchange lobbyist; that is all.

I have here a letter from Hon. Harvie Jordan, who is national campaign director of the American Cotton Association, thoroughly indorsing the amendment:

AMERICAN COTTON ASSOCIATION,
Atlanta, Ga., April 6, 1920.

MY DEAR SIR: I beg to call your attention to a recent amendment offered by Senator B. B. COMER relative to a change in the delivery of cotton grades on contracts purchased through the New York and New Orleans Cotton Exchanges.

The present contract is unfair to legitimate dealers on the exchanges and enables the sellers of contracts to make deliveries in a variety of low grades, which tend to depress the spot market for cotton and harass the growers and manufacturers. It is a contract which can be manipulated in the interest of the sellers and which is exceedingly detrimental to the legitimate cotton industry. Senator COMER's amendment seeks to remedy this evil only in part by requiring that at least 50 per cent of all sales shall be made deliverable in good spinable cotton. This is no hardship upon legitimate transactions on the exchanges, as a large majority of the cotton crop each year consists of the better grades.

The American Cotton Association has fully indorsed this amendment in the interest of the cotton growers and legitimate business, and urges that you support the amendment and exert your full influence to secure its passage.

Thanking you for your valued support in this important matter, and with best wishes, I beg to remain,
Yours, very truly,

HARVIE JORDAN,
National Campaign Director.

I also have a telegram from Mr. J. J. Brown, commissioner of agriculture of Georgia, who says:

ATLANTA, GA., April 3, 1920.

Hon. B. B. COMER:

Have just sent the following day letter to the Georgia congressional delegation: "I have always urged that the cotton-futures act should be amended to provide that deliveries on futures should average middling. I understand that the Comer amendment does this. I hope you will vote for this amendment and do all in your power to influence others to do so."

J. J. BROWN,
Commissioner of Agriculture.

I am told that Mr. Brown is one of the most prominent farm administrators in Georgia, and is in thorough touch with the farmers.

Here is a letter from Hon. C. S. Barrett, president of the National Farmers' Union:

APRIL 9, 1920.

Senator B. B. COMER, Washington, D. C.

DEAR SENATOR: Answering regarding your proposed amendment to the cotton-futures act securing that one-half of a contract shall be delivered middling and above and one-half at the option of the seller within the 10 standard grades, I am sure that the cotton farmers of all the States are in favor of it; I am sure that it is very much to their interest and I would earnestly advise all representatives, House and Senate, to secure its passage.

Yours, very truly,

C. S. BARRETT,
President National Farmers' Union.

Mr. Barrett seems to know exactly what he is talking about and entirely comprehends that the propaganda against the amendment is for the exchange interest and not the farmers.

Here is a telegram from Columbia, S. C.:

COLUMBIA, S. C., April 9, 1920.

Senator COMER, Washington, D. C.

Cotton buyers and commission brokers here yesterday received telegrams from exchange sources urging them to wire their Representatives and Senators to kill your amendment to cotton-futures act—

I have no doubt the Senator from South Carolina [Mr. SMITH] is receiving many such telegrams—

Leroy Springs, widely known cotton manufacturer, made definite statement here yesterday that if your amendment was adopted cotton bears would be eaten alive. Stick to your guns.

EDMUND A. FELDER,
Cotton-Futures Broker.

Surely it will make it hard for the bears; I mean the people who gamblingly attempt to manipulate the market, depressing values. I do not mean the man who believes that cotton is going down and sells the market, but the man who takes the low grades and depresses the market with them. That is what it means, and nothing else.

Here is a circular from Dallas, Tex., which was sent to the Montgomery Exchange, and is one of the worst I have seen. In this circular they propose to go back to the system prevailing before the passage of the bill of the Senator from South Carolina, before the Smith-Lever bill, and to reinstate the 21 grades. They go further than that; they want to make New Orleans, instead of being a commercial market, a partial spot-value market, as it is to-day, get the basis middling by the composite price from 10 spot markets. Listen! This is their recommendation:

We also strongly recommend that the differences between grades for cotton tenderable on the New Orleans Cotton Exchange be regulated in the same manner as those of New York, namely, by the average of the 10 designated spot markets.

Whoever heard of such nonsense as that? It is a swindling proposition. If they had the writing of laws, what would they not write?

To the circular the Montgomery Cotton Exchange replied as follows:

Telegram received. Opinion majority our membership is favorable to Comer amendment, and it is unanimous that the present contract, at least, be not weakened. We do not believe reinstatement contract prevailing prior to 1919 would in anywise remedy present condition prevailing as to low grades, but we do think it would be sure to cause further widening of differences between spots and futures, which would be undesirable to all legitimate interests.

They themselves say they do not want a further widening of the differences between spots and futures. Of course it is best for every legitimate interest to get the middling.

Here is a telegram from Jenkinsburg, Ga.:

JENKINSBURG, GA., April 8, 1920.

Hon. B. B. COMER:

Your telegram received. I have read your proposed cotton bill.

Highly favor it.

J. H. MILLS,
State President Farmers' Union of Georgia.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. COMER. Certainly.

Mr. DIAL. Assuming that a cotton mill does not want to buy its supply through the exchange; and, of course, as it is now they buy the cotton and sell the goods, and indulge in the practice of hedging in a great many instances, but assuming that they do not want to buy the cotton through the exchange, and that they buy a large number of bales, then if the seller has the option under the law as it is now to tender cotton, he might tender a great quantity of one grade.

Mr. COMER. He can tender a hundred bales of one grade.

Mr. DIAL. Suppose the mill wanted to buy a year's supply, say 50,000 bales; would it not be much better for everybody that the mill have the option of selecting the kind of cotton it could spin? If the seller could tender all the contract of one grade it would not be to the best advantage.

Mr. COMER. It is claimed that if a contract was shortened to one grade, or two grades, or even four grades the market could be squeezed. That is one reason there are so many grades let in. I do not agree with that fully; but in milling the mills do not buy the hedge; they do not buy the contract for the purpose of milling; but they buy the contract for the purpose of hedging the cotton wanted. They go into the spot market and buy the cotton that they are going to consume, and after they have bought it then they sell the hedge; that is the way that is done. It is not intended for speculation, but safety.

Mr. DIAL. That is true, but assuming that the contract matures, where would there be any harm in getting the actual cotton? Take the New England mills—of course, it does not affect us in the South, because we have the cotton at our doors—suppose a New England mill bought a contract for a thousand bales, what is the reason it should not let the contract mature and take the cotton?

Mr. COMER. I see what the Senator means. It is expensive to run cotton through the exchange; it will cost possibly 3 cents a pound to put it through the exchange and take it out; and of course that is a charge on the value of the cotton. Any man who undertakes to do business through the exchange in that way is simply adding to the cost. I have taken cotton in that way; in fact, last year I sent Senator SMITH, from South Carolina, a grades list of cotton taken by me in that way. We took up two contracts—200 bales—in New York, 100 through Hubbard Bros. and 100 through Carpenter. That was when we had 21 grades contract tender. They were given 12 different styles of cotton in the hundred bales, and it was not such cotton as we could use. We wrote them and telegraphed them time and time again to sell the cotton, but they could not get an offer for it, so that the only thing to do after three months of trial was to sell 200 bales on the market and redeliver it.

Mr. SMITH of South Carolina. Mr. President, in that connection, in studying the Senator's proposed amendment, and in studying the provision which I have already had enacted into law, the very point the Senator has brought out to-day has always seemed to me to need proper legislation, for the reason that every buyer on the spot market wants to buy those grades that are the nearest of value.

With 10 grades admissible, it would be possible for the exchange to deliver some of all the 10 grades, so that the millman or the buyer accepting it, even if he were a broker who wanted to handle it for some man, would have a mixed lot, out of which he might not be able to get even 50 per cent of the kind of cotton that he needed to fill his contract. So I have been wondering if it would not be a very good thing to further amend the act at some time, so as to provide that the deliveries when made by the exchanges should be within certain groups, so that the seller could not deliver some of all grades, and thus not make the lot, as we who are familiar with cotton call it, a smooth running lot, but a mixed lot impossible of being sold.

That leads me to ask the Senator a further question in reference to his proposed amendment. It has been brought to my attention that perhaps a buyer might demand the 50 per cent that he wants of middling fair. He has bought a contract. He has the option of demanding any grade, or demanding the fulfillment of his contract from middling and above. He might demand middling fair. He might serve notice that he was going to take up the cotton—as the Senator and I know, there is very little middling fair cotton made anywhere—and thereby cause the exchange to cease to be even a hedge market under that possibility. Now, in order to obviate that, after the Senator's suggested amendment shall have been tried to see to what extent it will have that tendency, I wondered if we might not have a law providing, in justice to both buyer and seller, that where one de-

mands the cotton it shall not be possible for him to demand the specific fulfillment of any one grade unless it be possible for the seller to meet it, but that he might have his contract filled with cognate grades, or grades that are in juxtaposition to it, like middling, strict middling, and low middling, say, so that he could not just demand the specific fulfillment in any one specific grade, and then, unless the buyer wanted it, that the seller could not specifically fulfill in any one grade.

Mr. COMER. Just one minute, Senator, please. The amendment does not read that way. It provides that the seller can deliver the 50 bales of any grade the seller selects, or any combination of grades he may select, from middling above. He could make it 10 each of the 5 different grades, or he could make any combination he wants.

Mr. DIAL. Not only that, but the Senator's amendment is not mandatory on the purchaser. There is no reason why he and the seller should not agree to take under middling if they want to. It just gives him the option of taking middling and above.

Mr. COMER. Yes. It can be done that way. But back in the old days, when 50,000 to 100,000 bales of low-grade cotton was assembled in New York convenient for delivery on contracts, then the cotton gamblers had a picnic. A man buying a thousand bales of cotton, say, 10 contracts, the seller would tender him an assortment of many low grades. The buyer would go into the warehouses and select out of the conglomerate collection the cotton that he could best use. Say he selected 500 bales out of the 1,000; then he sold back the 500 bales balance and redelivered the cotton he could not use on the contract market, to go through the same mill again.

Mr. SMITH of South Carolina. And settled on margin.

Mr. COMER. Yes. That was the way they used to do it.

Mr. DIAL. No; but what I am trying to do is to get a contract to represent actual value, to represent cotton. That is what I want. Now, of course, I know the expense of running through the exchanges; but if the sellers knew that the purchasers would not go to that expense of taking the cotton, then of course the seller would bear the market all the time.

Mr. COMER. Yes.

Mr. DIAL. I am trying to get this amendment—and I hope it will be adopted—in shape so that the purchaser will not run the expense, and, if it should become necessary, then take his cotton.

Mr. COMER. If the Senator will read my previous talk along this line, it discussed that very question, and it was handled by a letter from my son, who is the manager at Avondale; and he states that we, the Avondale Mills, who can use any grade, and have the ability to take up any tender, can protect ourselves right along the line we are talking about.

Mr. DIAL. You mean you are manufacturers?

Mr. COMER. Yes; but there are people who can not take up hedges, and the gambler will get him every time; but the dealer that knows what he is doing, as I am sure you would, can hold the cotton and take the delivery. It is not a delivery they want. The exchanges never want to deliver—never, never—and when you take up the cotton on the exchange you have made a big surprise. They do not intend it at all.

Here is another letter I have received:

STATE OF FLORIDA,
DEPARTMENT OF AGRICULTURE,
Tallahassee, April 7, 1920.

Hon. B. B. COMER, Washington, D. C.

DEAR SIR: Replying to your telegram of the 1st instant, with reference to the amendment proposed by you to stabilize the price of cotton on the exchanges, etc., has been thoroughly gone into by me, and I am asking our entire delegation in Congress to back your amendment.

Assuring you that I am glad to do anything to help the situation and trusting that the amendment may go through, I am,

Yours, very truly,

WM. A. McRAE,
Commissioner of Agriculture.

Here is the last that I have:

BIRMINGHAM, April 16, 1920.

Senator B. B. COMER,
Washington, D. C.:

Convention—

The American Cotton Association convention—

Indorsed your amendment 16 to 15—

I am sorry it did not pass by the whole number, but I understand there was a prominent cotton-exchange man down there, a smart, competent man, who got some delegates buffaloed; but it passed 16 to 15—

Alabama, Florida, Oklahoma, Georgia, Tennessee voting for; Arkansas, Mississippi, Louisiana, and both Carolinas voting against—

Now, I am sure that the Carolinas are for it, are they not?

Mr. DIAL. They are.

Mr. COMER (reading):

W. B. Thompson, ex-president New Orleans Cotton Exchange, led the fight on the floor of convention.

DONALD COMER.

The cotton-futures act intends to secure that the conduct of the exchanges should be equitable and commercial; that there should be no advantage to the buyer nor the seller, no protective anchorage to the junkers of trade, but the widest protection to all transactions from producer to manufacturer. If the exchanges can not exist under such rules, then the exchanges are authorizing vampires on the world's greatest product, and lose their usefulness, lose the intent of their existence.

The proposed amendment to the cotton-futures act is not intended to impair in the least the purpose of the act. The amendment is intended to enable the cotton-futures act to accomplish the evident design of the statute; that is, to stabilize contracts with spots. In specifying 10 grades it was not the purpose to outlaw all except 4 or at the most 5 of the grades. It was not intended that the seller should be able to take the statute and make a delivery of cotton of such grades and in such a manner that three-fourths of the dealers and manufacturers can not use. It was never intended that the higher grades of cotton, middling and above, should be nondeliverable on a contract, but under the practice of the exchanges such is a fact. The law never intended to put the buyer at any such disadvantage. The Federal Government does not knowingly put its seal on such transactions. It was never intended that a contract delivery should be at such a basis price, a price from the very nature of the case shifting and unreliable and arrived at in such a way as to be impossible, as in the case of the New York Exchange market.

The pricing of 10 different types of cotton in 10 different spot markets the same day, and out of it making a composite price validating the contract price, is, I say, absolutely impossible; and however honest the intention of the Bureau of Markets, the making of such a price is like the new way of measuring the distance to the fixed stars—guess one-fourth of the distance and multiply it by four. This part of the present law will be very greatly relieved by the amendment from the very fact that the middling basis will be taken from the middling of actual cotton, and it will be one of the chief benefits of the law, and the difficulty of the Bureau of Markets in validating the basis price by the present law will be greatly relieved.

The exchange propaganda charges that this amendment will make the contract market a spinner's market and can be worked to the hurt of the producer and dealer. This charge is dogmatic, absolutely untrue, and not a scintilla of experience or economic reason can be brought to sustain the charge—absolutely exchange propaganda, unbelievable by any disinterested man and impossible of proof.

The spinner wants a market exactly like the market best suitable to the legitimate dealer, a stabilized market, one in which the contract price and the spot price will carry relative differences from month to month, according as the expense of carriage and the faith in the natural and economic conditions surrounding the crop. Stabilizing the market will benefit the spinner, because he can sell goods and buy or sell cotton, hedging on the contract market with approximate safety. The legitimate dealer will do the same. These taken together will help—is obliged to help—the farmer. Any charge that it will hurt the farmer or the dealer is a camouflage of the junker class, a junker that has preyed on cotton so long—the junker class, I say, who wish to Germanize this great product and place a tribute on it forever.

The exchanges are the reflex or the recording index of cotton values. The exchanges were never intended to be the masters of cotton values, the makers of it, and the propaganda which they are getting out claiming the exchanges make or unmake the price of any grade of cotton is absolute nonsense, and they know it. The only arguments they use or can use are dogmatic—from the very nature of the case impossible. Any business proposition by which the seller can give the buyer unusable delivery at an unreliable price is dishonest, and rendering the exchange back to an equitable transaction can not hurt any legitimate commercial business.

A large cotton firm writes me that a man or a firm can be sincere and be wrong, but he can not see how a house that does trading and takes no part in bear raids can be opposed to the Comer amendment, "for it would make bear raids history." He further writes, "With the good grades embodied in the delivery the contract would be a hedge, which it is not now. Water seeks its level. No matter how many grades are made tenderable, contracts are entered into with the expectancy of deliver-

ing the lowest grade of those tenderable, the least usable to the majority of buyers."

In all its past history whenever the exchanges attempted to make the price of cotton legitimate interests have suffered incalculable losses. The exchanges are now using every possible agency in reflex telegrams to Representatives in Congress, alleging that in the interest of the farmer—those blessed farmers—the Representatives must defeat the Comer amendment; that the amendment will help the spinner; that it will make it a spinner's contract, but that it will hurt the farmer and outlaw low-grade cotton.

Now, who ever heard of such immaculate nonsense as that? The exchange does not "inlaw" or outlaw anything. If it was in the outlaw business, has it not got middling and above knocked higher than a kite right now? You never hear of those grades being tendered. Have they hurt the price of them? It is the demand that makes the price. It is the usufruct from the mills that makes the demand, and the kind of cotton they can best use is what they buy. They are not cutting out low-grade cotton because they want to depress the price of it. They are taking high-grade cotton because they can make more money with it. Of course that is the reason. Any other reason would be nonsense.

The greatest objection the exchanges have to the amendment is that in a great measure it takes the "bear" out of the transaction. The exchanges want the low grades kept in the tender, not for the purpose of helping the low grades, not for the purpose of benefiting legitimate trading, but for the purpose of increasing the opportunity to "bear" the market. They know what is the reason. They know it. This is all they have used the low grades for the past year and all the years back, and they know it, and all this stuff about a spinner's contract as against the farmer's and dealer's contract is simply intended to retain an advantage in which the game can be played with marked cards, and they know it.

They never like the game unless they can mark the cards. It is worse than a negro crap game where loaded dice are used.

Yesterday's cotton market, May contracts, in New Orleans was 41.25; July contract, 39.65; October contract, 36.35; December contract, 35.27; March contract, 33.40. If you had a stabilized contract, one in which the spinner could have confidence, he would, of course, buy March cotton and sell his goods against it. This would be a legitimate hedge and one authorized by every condition of trade, and the verity of it should be guaranteed by this law.

Senators, when you can not verify a contract, when you make a law which does not verify a contract, then you vitiate the very principle for which that law is made.

With the amendment requiring one-half of a contract middling and above, the danger of "bear" raids will not be so apprehensible. The spot and futures market will trot along side by side more evenly than now—conditions which the Smith-Lever bill clearly designed should carry.

Taking the lower grades out of the lawful tender, as was done by the Smith-Lever bill last year, did not in the least affect the value of the cotton so outlawed, did not decrease in the least the buying and consumption of same, which alone makes the price.

It is the buying and consumption of it which makes the price. It is not the power of tendering it on the exchange. It simply prevents the gambler on the exchange from assembling a lot of off-grade cotton, cotton not easily merchantable, and tendering it on contracts not for the purpose of helping the low grades, not for the purpose of helping the contract market, but for the purpose of depressing it and making a gambler's gain.

That is so, and we all know it from history all the way back. There is nothing else to it; there can not be anything else to it. Otherwise middling and above, which are tenderable on a contract under the law and which are never used, are absolutely outlawed by the use of the exchange. What keeps the price of these grades up? A simple answer—the law of supply and demand, and it is operating to-day on all grades.

I call attention to an article from the Times-Picayune, in the Appendix to the CONGRESSIONAL RECORD, which Mr. DUPRE, of Louisiana, read. I have great respect for Mr. DUPRE and also for the Times-Picayune. It is a great paper, but according to every law of trade, to every condition of cause and effect which surrounds this great southern product, there was never a more erroneous conception of the purpose and I am sure of the effect the amendment will have. If Mr. DUPRE and the Times-Picayune will stop for a minute and consider the law can not make the price of any grade cotton.

You do not make prices of cotton by law, unless it is war-time prices. In the open trade of the world the price of cotton is

made and of every grade of it. It could not be made any other way. The law can only protect the natural economic conditions, and this amendment simply intends to carry out the true purpose of the Smith-Lever bill, to carry out the true purpose of all legislation, to secure fair dealing in all law-protected institutions.

Mr. SMITH of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. COMER. Certainly.

Mr. SMITH of South Carolina. The Senator means to say that the seller be restricted to deliver 50 per cent of his contract for middling and above, at the option of the buyer, and then the seller have the right to deliver 50 per cent from middling and below, and the object which the Senator has is to make middling the real basis and reflection of the value of the contract.

Mr. COMER. That hits the nail on the head.

Mr. SMITH of South Carolina. I just reread the Senator's amendment a moment ago, and I see that it provides that in the settlement of this contract the seller must, at the demand of the buyer, deliver 50 per cent of the grades above middling.

Mr. COMER. Middling and above.

Mr. SMITH of South Carolina. Middling and above?

Mr. COMER. Yes.

Mr. SMITH of South Carolina. While in settling the seller's option is middling and below?

Mr. COMER. Anything he wants within the 10 standard grades.

Mr. DIAL. Not necessarily below.

Mr. SMITH of South Carolina. I understand; but he would hardly deliver the 100 per cent above, unless he is more fortunate than a great many are. But the object, as the Senator has brought out in his argument, is that whereas now the seller having the option of delivering what he pleases of the tendered, admissible grades pleases to deliver low grades all the time to the exclusion of any high grades, he thus vitiates or renders misleading the quotations on the market, which are not based actually upon middling, but upon the average of the lower grades that he sees fit to tender on the contract; whereas if the law were so that the average would be middling, then the price necessarily must reflect the value of middling on the market, and so one picking up a paper and seeing cotton quoted at 41 cents knows that they are quoting 41 cents on the basis of middling, and middling would be delivered at 41 cents.

Mr. COMER. Yes, sir.

Mr. DIAL. Mr. President, may I ask the Senator what the tendency of the market has been since his amendment was agreed to in the Senate?

Mr. COMER. For the first time in years the futures market in New York is reflecting the spot market. To-day the futures market in New York is 42 and a fraction. The futures market in New York to-day is a cent a pound higher than the futures market in New Orleans.

Mr. SMITH of South Carolina. But I think the relative difference between the spot and contract, even for the spot month, is about the same as it was heretofore. In other words, spots to-day in New York are somewhere around 43 cents, while May, which is now considered, I believe, about the spot crop, is about 42½.

Mr. COMER. No; that is the contract. I think spots are about that price.

Mr. SMITH of South Carolina. I think spots are about 43. From a cent to a cent and a half has been the difference, I think, and yet that should not be permitted. The futures contracts ought to be equal to or a little in advance of the spots, whereas the thing which I have been trying to remedy ever since I have been in the Senate is that the market should reflect the actual value of the middle grade and reflect the law of supply and demand.

Mr. COMER. That is exactly right.

Mr. SMITH of South Carolina. The reason I sought to restrict the grades of delivery was for that purpose. Aside from the disastrous effects of the Government order in widening the difference between the grades arbitrarily, irrespective of the action on the market, it had a psychological effect; and then there was an oversupply of these low grades, which tended to lower it. But the Senator in his speech has emphasized the fact that he is striving to do exactly what I have been striving to do, to formulate a contract and enact it into law, and restrict the action of the exchanges to where, when they quoted the price of cotton, it would be the price of middling grade; then put the premiums on the higher that are legitimate and the discount on the lower.

Mr. COMER. I take off my hat to the Senator from South Carolina. He is exactly right. I am just following right along in his footsteps, and I am simply trying to help him accomplish what he has been working for and nothing else. I desire now to read a short extract from a speech in the Senate delivered by the Senator from South Carolina:

Mr. SMITH of South Carolina. That is simply to provide that, in the contracts for delivery of cotton, cotton of unmerchantable grades shall not, as now, be tendered on a contract. Under the present cotton-grading law the cotton-grading committee has standardized a great variety of grades of cotton, so that the exchanges are tendering these very low and unmerchantable grades to such an extent that it has driven legitimate business away from the exchanges and has practically converted them into mere gambling places and not a place for legitimate business.

That was a pretty good story he told them, and it was the truth, too. I continue reading:

In other words, there is now a difference of anywhere from \$25 to \$30 a bale between the contract and spot market.

That was outrageous, but true. No wonder the Senator made complaint about it. The Senator further said:

The amendment is simply to make the exchanges legitimate trading places and make the contracts commercial.

That is all it is. That is all this amendment is intended to do. The Senator was just exactly right.

I have here the report of the Commissioner of Corporations, Part I, on cotton exchanges, which I suppose was ordered printed by the House in an investigation made some years ago.

Mr. SMITH of South Carolina. Is that the Herbert Knox Smith report?

Mr. COMER. I can not say. I want to read from this report to show how nearly right I was:

It is obvious that an abnormal depression of the price of future contracts as compared with the spot price of middling cotton, such as results from errors in contract differences, must cause loss to a large number of holders of contracts. The number of persons affected by such losses is vastly greater than the number who actually receive the cotton on contract at overvalued differences; for, as is well known, vast numbers of contracts are purchased, not with the intention of taking up cotton but with the idea of reselling them. Of course, the losses of one class of operators through such relative depression of the contract are at least partly balanced by gains of other operators. This, however, does not justify a system which will permit such abnormal depression of the contract price.

That is what the exchanges are for. This continues:

As will be shown more clearly later, the risk of the seller is much less than that of the buyer. Moreover, the fact that either party to the contract instead of only one may be injured is no justification of improper differences; on the contrary, both risks should, as far as possible, be avoided.

You can not say that it is right that one man should carry a bigger risk in a business transaction than another. It is immoral. I continue:

Such disturbances in the normal parity between the spot middling price and the contract price therefore increase the risks attending future operations. Any increase of risk which can be prevented is clearly an evil. Abnormal disturbances of the parity between the two prices increase the difficulty of forecasting the course of the price of future contracts. Operators in futures base their transactions, in the main, upon a study of the conditions in the spot market. Under a proper and normal difference system they can assume that conditions which tend to advance or depress the price of middling cotton in the spot market will likewise tend to advance or depress the price of basis middling future contracts.

It was just the same story back there as it is now. It is like the old hymn, it is the old, old story, and always true. This proceeds:

As a matter of fact, most operators, as a result of failure to understand thoroughly the influence of grade differences, do make that assumption even when, because of improper differences, there is really no such parity. Where such parity does not exist, conditions affecting the value of middling in the spot market become practically worthless as a guide to the operator in futures, since the prices become dependent on artificial rather than on natural conditions.

The Senator from South Carolina is trying to get rid of artificial conditions; that is what he is working for.

A few operators of unusual resources and cleverness may find profit in such abnormal disturbances in this parity between spot middling and contract prices; but it is apparent that the rank and file of operators will find their transactions much more hazardous in case the two prices do not move in substantial harmony.

An absolutely constant margin between the two prices can not be hoped for, since, as already stated, the future market fluctuates more frequently and often more violently than the spot market; but under a proper working of the future system such disturbances should not continue for any considerable period of time.

I read further:

The injury resulting from a disturbance of the normal parity is perhaps best illustrated in the case of "hedging" transactions. Hedging is a legitimate and one of the most important functions of future trading. Whereas a vast amount of business in futures is unquestionably of a highly speculative character, the hedging function is primarily intended to reduce the element of speculation in transactions in spot cotton. Hedging, in other words, is a sort of insurance against loss, the theory being that by means of hedges the merchant can calculate

with approximate certainty on a fixed margin of profit, foregoing hopes of extraordinary gains for the sake of protection against extraordinary losses.

That is what we want. We want legitimate hedging. We want hedging that is as certain as the stars, as certain as business can make it.

The principle of hedging, especially in so far as buying hedges are concerned, rests on the assumption that the price of future contracts for the current or spot month will maintain a fairly constant parity with the spot price of middling cotton. A cotton merchant who has purchased a future contract as a hedge at a certain margin or discount below the spot price of middling cotton will suffer a loss if, by the time he is ready to sell out his hedge contract, the discount in the contract price has been increased. If the buyer had the option of demanding on his future contract grades which he required for his engagements with spinners, he would, of course, be protected. But, as repeatedly stated, that option lies entirely with the seller.

This was written away back yonder, and it is the same thing we are talking about here to-day. That is what we are trying to avoid. The exchanges have no right to demand anything other than that.

I read further:

Near the close of September, 1906, there was a terrific Gulf storm which caused immense damage to cotton over a large area of the cotton belt. The result was an abnormal proportion of low grades. Commercial differences widened sharply; that is, the price of the low grades fell relatively to that of middling and the price of high grades advanced relatively to middling.

The price of spot middling on February 1, 1907, was 11 cents, while that of future contracts maturing in February was only 9.04 cents.

It is important to emphasize that the losses resulting from the increase in the margin between the spot and the contract price as a result of this improper revision fell also very heavily upon cotton merchants who, instead of speculating, had purchased contracts in the New York market as hedges for the very purpose of avoiding speculation in their transactions in spot cotton. Instead of thus escaping speculative risks, such merchants found that they had lost enormously because of such hedges.

You have no right to lose because of hedges; and all that is intended in all this is to give honest business an honest chance. That is what the law is intended to guarantee to every dealer; and what the exchanges should do is to go to work studying the conditions with reference to low grades or any other grades and state them honestly to bankers or merchants or anyone else, and they should state the facts just as they are and not use scareheads.

AWARDS OF DAMAGES TO VESSELS.

Mr. SMOOT. Mr. President, the House of Representatives messaged to the Senate two enrolled bills—Senate bill 1005 and Senate bill 1222—for the relief of certain owners of vessels. In both of the bills will be found this provision:

That should damages be found to be due from the United States to the owners of said schooner *Henry O. Barrett*—

And in the other case of the said steamship *Matoa*—

the amount of the final decree or decrees therefor shall be paid out of any money in the Treasury not otherwise appropriated.

These bills passed without the usual amendment striking out that section. In all other bills of a similar character that provision has been stricken out. In order that these bills may follow the course of the others and not establish a precedent of appropriating an unknown amount for any claim that may be decided to be due from the Government, I offer the following concurrent resolution—Senate concurrent resolution 26—and I ask for its present consideration.

Resolved by the Senate (the House of Representatives concurring). That the Speaker of the House of Representatives be requested to cancel his signature to the enrolled bills:

S. 1005. An act for the relief of the owner of the steamship *Matoa*; and

S. 1222. An act for the relief of the owners of the schooner *Henry O. Barrett*.

That upon the cancellation of such signature the Secretary of the Senate be directed to reenroll said bill, S. 1005, with an amendment as follows: Strike out of section 2 the following words: "That should damages be found to be due from the United States to the owner of the said steamship *Matoa*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*,"

And further, That the Secretary of the Senate be directed to reenroll the said bill, S. 1222, with an amendment as follows: Strike out of section 2 the following words: "That should damages be found to be due from the United States to the owners of said schooner *Henry O. Barrett*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*,"

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the present consideration of the concurrent resolution which has just been read. Is there objection? The Chair hears none. The question is on agreeing to the concurrent resolution offered by the Senator from Utah.

The concurrent resolution was agreed to.

ARMY REORGANIZATION.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 3792.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3792) to reorganize and increase the efficiency of the United States Army, and for other purposes.

Mr. WADSWORTH. Mr. President, I anticipate that it would be somewhat difficult and perhaps impossible to secure the attendance of a quorum of the Senate this afternoon. Indeed, it has been very difficult upon other days. This being Saturday it will probably be more difficult than usual. Therefore, so far as I am concerned, it is my purpose merely to offer two amendments which are committee amendments and which may be correctly described as corrective in their nature.

One of them, the first one, has to do with that provision of the bill which prescribes the form of oath to be taken by men enlisting in the National Guard of the United States. It so happens that in putting the bill together and having it printed, an error was made in that we copied, as I recollect it, the form of oath prescribed in the national-defense act. That form of oath is not in conformance in one of its details with other sections of the bill which relate to the National Guard and which result in placing the National Guard upon a different status than that which it occupied under the national-defense act. So I offer an amendment to correct that and to make the form of oath conform with the purposes of the act.

The PRESIDING OFFICER. The Senator from New York offers the following amendment to the pending bill.

The READING CLERK. On page 78, line 4, strike out the words "to the following oath" and insert "to an oath in the following form."

The amendment was agreed to.

The READING CLERK. On page 78, strike out lines 5 to 16, inclusive, and insert the following:

I do hereby acknowledge to have voluntarily enlisted this — day of —, 19—, as a soldier in the National Guard of the United States for the period of three years under conditions prescribed by law, unless sooner discharged by proper authority, and I do solemnly swear that I will bear true faith and allegiance to the United States of America, and that I will serve them honestly and faithfully against all their enemies whomsoever, and that I will obey the orders of the President of the United States and of the officers appointed over me according to law and the rules and Articles of War. And I do solemnly swear to bear true faith and allegiance to the State of — and to obey the orders of the governor thereof subject to the Constitution and laws of the United States.

The amendment was agreed to.

The READING CLERK. Also, on page 80, line 7, after the word "act," insert the following proviso:

Provided further, That all officers of the National Guard who have taken and subscribed to the oath prescribed for officers in the act of Congress approved June 3, 1916, may be commissioned as reserve officers in the several grades now held by them with original date of rank and be recognized as officers of the National Guard of the United States. All officers of the Organized Militia, of the several States and Territories, and the District of Columbia, and all persons hereafter to be commissioned as officers in the National Guard of the United States shall, upon being commissioned under the provisions of this act, take and subscribe to the following oath: "I —, having been appointed a — in the National Guard of the United States, do solemnly swear that I will support and defend the Constitution of the United States against all enemies foreign and domestic, that I will bear true faith and allegiance to the United States, that I will obey the orders of the President of the United States, that I take this obligation freely without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office of — in the National Guard of the United States upon which I am about to enter. I do further solemnly swear to bear true faith and allegiance to the State of — and to obey the orders of the governor thereof, subject to the Constitution and laws of the United States, so help me God."

Page 84, line 8, after the word "troops," insert "under the direct orders of the governor of the State or Territory."

The amendment was agreed to.

Mr. WADSWORTH. I desire now to offer another amendment to express more accurately the purpose of the section which provides that the troops of the National Guard of the United States shall be at the disposal of the governors of the several States.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The proposed amendment will be stated.

The READING CLERK. On page 84, line 8, after the word "troops," insert the words "under the direct orders of the governor of the State or Territory."

The amendment was agreed to.

Mr. WADSWORTH. I now offer an amendment on a different topic, which was agreed to by the Committee on Military Affairs, and has to do with the retirement of those officers of the permanent personnel who have served for four years.

I will say in explanation of it that there is an existing provision of law enacted several years ago that officers who have served as chiefs of service in certain of the bureaus or departments which existed at the time of the passage of that act, upon being retired are to be retired at the rank which they held as chiefs of bureaus or service. The proviso which I now offer as an amendment to the pending bill brings that present practice up to date, and makes it conform with the provisions of the bill.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 49, line 18, after the word "act" and before the period, insert a colon and the following proviso:

Provided further, That any officer who shall have served four years as chief of a noncombatant service and who may subsequently be retired shall be retired with the rank, pay, and allowances authorized by law for the grade held by him as such chief, unless already promoted to a higher grade.

The amendment was agreed to.

Mr. WADSWORTH. As I said a moment ago, I think it would be profitless for me to offer one more committee amendment which might give rise to discussion and perhaps a roll call. Unless some other Senator desires to offer an amendment on the floor and take a chance on securing a quorum, I will ask that the Army reorganization bill be temporarily laid aside.

Mr. HARRISON. Mr. President, I have an amendment to offer, but I imagine if it should be favored by those present the Senator from New York would want a quorum. So I shall not insist on it to-day.

Mr. McKELLAR. With that understanding, I desire to offer an amendment, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The proposed amendment will lie on the table and be printed.

Mr. JONES of Washington. Mr. President, under those circumstances and with the same understanding that I—

Mr. NUGENT. Will the Senator yield for a moment?

Mr. JONES of Washington. Yes.

Mr. NUGENT. I offer the amendment which I send to the desk.

Mr. McKELLAR. Will the Senator from Washington yield to me to ask the Senator from New York a question?

Mr. JONES of Washington. I yield.

Mr. McKELLAR. I am thinking about going out of town this afternoon, to remain over Sunday, but I do not desire to do so if there is any expectation that the Army reorganization bill will be brought up for further consideration to-day.

Mr. WADSWORTH. It is not my purpose to bring up anything in connection with that bill this afternoon. Of course, I can not control other Senators.

Mr. McKELLAR. Very well. I should like to present an amendment and to have it printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table. The Secretary will now state the amendment offered by the Senator from Idaho [Mr. NUGENT].

The READING CLERK. On page 20, line 2, after the word "purpose," it is proposed to add the following:

Provided, That for the protection of the forest areas of the United States against destruction by fire, the Secretary of War is hereby authorized and directed to organize, maintain, and operate such aeronautical units as may be necessary for the maintenance of an aerial patrol of such areas for the period ending June 30, 1921: *Provided further*, That the areas to be covered by the aerial patrol herein authorized shall be designated by the Secretary of War upon request of the Secretary of Agriculture: *Provided further*, That for this purpose the strength of the permanent personnel of the Air Corps and of the Army as otherwise authorized by this act is hereby increased 160 officers and 660 enlisted men in such appropriate grades as the President may prescribe.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, with the view to asking that the Senate proceed to the consideration of the river and harbor bill, with the same understanding that was heretofore had to-day.

Mr. NUGENT. I understand that there is no objection to the amendment which I have just proposed, and I suggest that it be now acted upon.

Mr. JONES of Washington. I ask the Senator to excuse me; I thought the amendment was merely presented to be printed.

Mr. WADSWORTH. Mr. President, I can not say on behalf of the committee that there is no objection to the amendment. I do not feel justified in saying that, in the absence of nearly all of the members of the committee, as to the amendment. I have not had an opportunity to examine its text.

Mr. NUGENT. I will say to the Senator from New York that the amendment I propose is the one which I submitted the other day, and concerning which I spoke to him.

Mr. WADSWORTH. Does the amendment place a time limitation?

Mr. NUGENT. Yes; its operation is limited to the period ending June 30, 1921.

Mr. WADSWORTH. I had not expected that the amendment would result in the increase of the Air Corps by 160 officers and 660 enlisted men. Before accepting the amendment on behalf of the committee, I really think, in fairness to the other members of the committee, that I should show the amendment to them.

Mr. NUGENT. I have no objection to the amendment going over, Mr. President.

Mr. JONES of Washington. Now I ask unanimous consent that the unfinished business be temporarily laid aside—

Mr. McNARY. Mr. President, before passing from the subject involved in the amendment offered by the Senator from Idaho [Mr. NUGENT], I desire to emphasize the importance of the acceptance of the amendment by the chairman of the Committee on Military Affairs, if it is possible for him to do so. In the consideration of the Agricultural appropriation bill some weeks ago I offered an amendment whereby \$60,000 was authorized to be appropriated by the Congress to continue the patrol work in the forests of the Northwest. The scheme contemplated the operation of airplanes from some twenty-odd bases in the States of Idaho, Utah, Montana, Oregon, Washington, and California. The sum which has been appropriated will be of no use unless the men are obtained for the service.

In view of the coming of summer, during which season so many thousands of feet of timber and millions of dollars' worth of property are destroyed, I sincerely hope that the chairman of the committee will follow the very excellent suggestion offered by the Senator from Idaho and accept the amendment. I plead with the chairman to do so, because of the fact that the season is fast approaching during which such destruction by fire is likely to occur and because of the very great effectiveness of this agency for anticipating, fighting, and exterminating fires.

Mr. WADSWORTH. In view of the statement which I very frankly made a moment ago, I suggest that the amendment be offered on Monday next. It will not hasten the legislation to adopt it to-day or to reject it to-day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington that the unfinished business may be temporarily laid aside? The Chair hears none, and it is so ordered.

RIVER AND HARBOR APPROPRIATIONS.

Mr. JONES of Washington. I now ask unanimous consent that the Senate proceed to the consideration of House bill 11892, being the river and harbor appropriation bill, with the same understanding that we had when the bill was previously under consideration to-day.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11892) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. JONES of Washington. The pending amendment is that offered by the Senator from Utah [Mr. Smoot], on page 7, line 18, to strike out from line 18 to line 23, both inclusive. The Senator from Louisiana has made a request that the amendment may go over, and I ask unanimous consent that that course may be pursued.

The PRESIDING OFFICER. Without objection, it is so ordered.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 7, after line 23, to insert:

Tansas River, La.

Mr. JONES of Washington. I desire to offer a committee amendment to that amendment, to strike out "Tansas" and to insert "Tensas."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. HARRISON. Mr. President, would the chairman of the committee object if I offer an amendment at this point on this page, or would he prefer for me to wait until after the committee amendments have been disposed of?

Mr. JONES of Washington. We are operating under a unanimous-consent agreement, providing that the committee amendments shall first be considered.

Mr. HARRISON. Very well.

The reading of the bill was resumed. The next amendment of the Committee on Commerce was, on page 8, after line 2, to insert:

Galveston Channel, Tex.

The amendment was agreed to.

The next amendment was, on page 8, after line 13, to insert:

The coast in the vicinity of Aransas Pass, Port Aransas, Corpus Christi, and Rockport, Tex., with a view to the establishment of a safe and adequate harbor, or harbors, for protection against storms and erosions, including the protection of the instrumentalities and aids of commerce located there.

Mr. JONES of Washington. I ask that that amendment may be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

Mr. JONES of Washington. Now, I desire to offer a committee amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington on behalf of the committee will be stated.

The READING CLERK. On page 8 it is proposed to strike out from line 11 to line 13, inclusive, as follows:

Coast of Texas in the vicinity of Aransas Pass, Port Aransas, Corpus Christi, and Rockport, with a view to the establishment of a safe and adequate harbor.

And to insert:

The Secretary of War is hereby authorized and directed to appoint a board of engineers to make a survey of the coast of Texas in the vicinity of Aransas Pass, Port Aransas, Corpus Christi, and Rockport, with a view to the establishment of a safe and adequate harbor, or harbors, and to prepare plans and estimates for protection against storms and erosions, including the protection of the instrumentalities and aids of commerce located there.

Mr. KING. Mr. President, I should like to ask the Senator if it is wise to limit the points where the survey is to be made?

Mr. JONES of Washington. Yes; I think it is, because otherwise they might cover the whole coast, whereas the object is and desire is to secure the information with respect to a particular portion of the coast. There was, I think, a very severe storm in that vicinity some time ago, which practically destroyed the works we have heretofore authorized at certain ports.

Mr. SHEPPARD. Mr. President, the Senator from Washington is correct about that. The amendment refers to that part of the Texas coast which a few months ago was swept by one of the most devastating storms which that section has ever experienced. This provision is similar to the one that was made for Galveston Island a year or so ago, which has resulted in a very comprehensive and beneficial report.

Mr. JONES of Washington. I will say there is no desire for a general survey of the entire coast.

Mr. KING. I should like to ask the Senator whether or not the needs of commerce require this investigation and require the kind of improvement which, if the report is favorable, I presume will be made.

Mr. JONES of Washington. I think so. A favorable report will not be made unless the needs of commerce so require. That is one of the matters, of course, upon which the engineers report. They report the facts with reference to the needs of commerce and their recommendations with reference to that aspect of the matter.

I will say that the Senator from Texas is very familiar with the situation and is satisfied that it is very important that the investigation should be made.

Mr. SHEPPARD. I wish to say to the Senator that one of the most important parts of the Texas coast is that in the neighborhood of Port Aransas. Millions of dollars have been expended there, and, therefore, it becomes very important that we should have a reexamination at this time in view of the ruin wrought by the storm.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington on behalf of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 8, after line 19, to insert:

La Grue River, Ark.

The amendment was agreed to.

The next amendment was, on page 8, after line 24, to insert:

Tennessee River, Tenn., Ala., and Ky.

The amendment was agreed to.

Mr. KING. I should like to ask the Senator having this bill in charge how many new items have been added to the House bill by the Senate committee?

Mr. JONES of Washington. The Senator means in the way of surveys?

Mr. KING. Yes.

Mr. JONES of Washington. I do not know; I have not counted them; there are not a great many—that is, not an un-

usual number. Surveys, as the Senator understands, are really for the purpose of securing information and the views of the Engineer Corps with reference to projects that Senators and Representatives think ought to be investigated. As I have said, I have not counted the number, and do not know how many such items are in the bill, although that could be ascertained by counting and it would not take very long. There are some other items to be put in.

I will say that the committee is usually rather liberal in reference to surveys, because they are put in with the idea of securing information upon which action, either favorable or unfavorable, may be based, and therefore we have not been very restrictive in connection with such amendments.

Mr. KING. The Senator realizes that whenever a survey is made it ordinarily is followed by a large appropriation.

Mr. JONES of Washington. No; the Senator is mistaken as to that. The senior Senator from Utah [Mr. Smoot], some days ago, suggested that these calls for surveys were treated by the Engineer Corps as practically a direction by Congress to send in favorable reports. I was satisfied that that was wholly incorrect; that the engineers do not construe such provisions in that way; that they understand that they are simply to present the facts to us with their recommendations. I find that to be true. For instance, under the river and harbor bill of 1917 there were 84 surveys authorized, while the percentage of favorable reports was only 7.4; in other words, up to June 30, 1919, they reported on 54, of which number the favorable reports were 4 and the unfavorable reports 50. Also under the act of 1916 there were 128 investigations ordered; there were reported up to June 30, 1919, 109, of which 15 were favorable and 94 unfavorable, or a percentage of 13.7, and so on.

So that when we provide for a survey it does not by any means mean that it will involve an appropriation. As I said, these surveys are made simply for the purpose of getting information, getting the recommendations of the engineers, and then we do not always follow the recommendations of the engineers. We have a rule, however, or a practice, and it has been pretty generally followed, that we will not put in a river and harbor bill a project that has been reported upon unfavorably by the engineers. We do not put in all the projects that are reported favorably, and this showing demonstrates that a comparatively small number of these surveys are acted upon favorably.

Mr. SIMMONS. The Senator says that under the practice of the Senate a project is not put in the river and harbor bill unless it is favorably reported upon by the engineer. The Senator does not mean the local engineer?

Mr. JONES of Washington. Oh, no.

Mr. SIMMONS. The Senator means when the local engineer has approved the project and when the project has in due course received also the approval of the board of engineers.

Mr. JONES of Washington. I mean when the report comes to Congress it comes from the Board of Engineers for Rivers and Harbors, but it still has to pass from them, through the Chief of Engineers, to the Secretary of War, and then it comes down to us.

Mr. KENYON. Mr. President—

Mr. JONES of Washington. I yield to the Senator from Iowa.

Mr. KENYON. Have not the surveys been regarded as sort of consolation prizes? If it was impossible to get an appropriation, the Member of Congress would take a survey, and that has seemed rather to quiet him.

Mr. JONES of Washington. Why, no, Mr. President. The survey comes before the Senator attempts to get any appropriation. He may attempt to get an appropriation without a survey, but that is as far as he gets. It is simply in the nature of an attempt.

Mr. SHEPPARD. Mr. President, is it not a further fact that when a survey is ordered it does not necessarily follow that the actual survey is made? The engineers make what is known as a preliminary general examination, and unless that general examination develops that a project is of distinct importance, they go no further.

Mr. JONES of Washington. That is true.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 9, after line 4, to insert:

South Fork of Kentucky River, Ky.

The amendment was agreed to.

Mr. SIMMONS. Mr. President, I wish to ask the Senator in charge of the bill if he would object to my offering an amendment immediately preceding the one just adopted?

Mr. JONES of Washington. Mr. President, we are working under the rule that committee amendments shall be considered first. This is a matter for a survey, however, and if the Senator will present it to me, I will offer it as a committee amendment.

Mr. SIMMONS. I have presented the amendment to the Senator, and he has approved it.

Mr. JONES of Washington. If the Senator has the amendment prepared, I will ask him to present it as a committee amendment. He is a member of the committee.

Mr. SIMMONS. Mr. President, I offer the following amendment:

On page 9, at the end of line 4, add:

Trent River from New Bern to Trenton, N. C., with a view to a channel depth of 12 feet to Pollokville and 8 feet to Trenton.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENYON. Mr. President, I should like to ask the chairman of the committee about the item on page 8, line 20:

La Grue River, Ark.

What kind of a river is that?

Mr. JONES of Washington. Mr. President, that is a survey about which the Senator from Arkansas [Mr. KIRBY] is very anxious. I did not ask him for the details with reference to it. I have been satisfied that the engineers would present them. It is the only thing, I think, in which the Senator from Arkansas was especially interested in connection with the bill.

Mr. KENYON. I am sure he ought to have it; but does the Senator know whether this is a stream that has any water in it?

Mr. JONES of Washington. I do not know.

Mr. KENYON. The Senator does not know anything about it?

Mr. JONES of Washington. I do not; but I will learn something about it when the engineers report.

Mr. KING. Mr. President, if I may have the attention of the Senator from North Carolina [Mr. SIMMONS], the Senator has just offered an amendment which directed an investigation with a view to fixing the depth of the channel of a river. Is it customary to do that?

Mr. SIMMONS. I will say to the Senator that it has very frequently been done where there is already a project and that project has been completed, as is the case with reference to the Trent River. There is a project, and that project has been completed. The Government is now simply maintaining it. The commerce has developed considerably, and this is a suggestion that another survey be made with a view to ascertaining if there ought not to be a greater depth than that provided in the present project. That does not mean that they shall report for a 12-foot channel or an 8-foot channel, but it is offered with a view to determining whether there should be a greater depth than the present project provides for, which I think is 6 feet part of the way and 9 feet the rest of the way. That is a very usual way of providing for these surveys.

Mr. KING. Does the Senator believe that the construction of this project is feasible, and that there is sufficient commerce to warrant further expenditures by the Federal Government?

Mr. SIMMONS. I will say to the Senator that the Trent River is the river which runs right by my home. Let me read to the Senator an extract from a letter that I have here. A part of that project is from New Bern to Pollokville, which is a distance, I think, of about 15 or 16 miles by water. As a matter of fact, the present depth from New Bern to Pollokville is more than 12 feet, the depth mentioned here, except a little stretch of less than a thousand yards, where the depth now is only about 9 feet, or probably a little less than 9 feet, the project depth; and the sole purpose here is to secure a report which would enable the engineers to remove that shoal, so as to make the depth there conform to the general depth of the river. The general depth from New Bern to Pollokville, with the exception of this little stretch, is, I think, about 15 feet.

I will read an excerpt from a letter I have received from a gentleman who, because he is largely interested in a manufacturing plant located at Pollokville, is thoroughly familiar with the situation there. He says:

This is a very important matter, and I hope you can find time to push it to a finish. After going up Trent River and showing Col. Mathewson and the Baltimore colonel—

These are two colonels who were down there making an investigation—

what two or three industrial plants were doing, and the possibilities of that section, they suggested that if another order were made for an examination and report on Trent River for a 12-foot channel from New Bern to Pollokville, a turning basin in Mill Creek, and a deeper channel from Pollokville to Trenton, it was possible that the next time we would get a favorable report.

Trent River is already 14 to 17 feet deep from New Bern to Pollokville, except a short stretch about 7 miles up the river over these shoals, where there is a depth of only about 6 feet of water. Now, the 12-foot depth up to Pollokville which is suggested in this amendment is simply to enable the engineers to recommend a project which would permit the deepening of the channel of the river above that point so as to make it conform more nearly to the general depth of the river. That is the only purpose. Above Pollokville it is proposed to ask a survey with a view to having the river for the whole length made a bit deeper than at present, because the commerce along that stretch of the river has developed very considerably since the last project was adopted and completed.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 10, after line 11, to strike out:

Survey to determine the advisability and cost to the United States of the following improvements of Los Angeles and Long Beach Harbors, Calif.: (1) Dredging to 35 feet deep the main entrance channel, including an area of approach to the outer harbor, and the reclamation of an area near Reservation Point for the use of the United States; (2) dredging a channel at least 300 feet wide and 30 feet deep around the perimeter of west basin proper; (3) dredging a channel 300 feet wide and 30 feet deep from turning basin to southeast corner of east basin; (4) extension of San Pedro breakwater to a point between the Long Beach Harbor entrance and the sea outlet of the flood-diversion channel; (5) dredging 30 feet deep and 300 feet wide the Ceritos Channel from the east basin of Los Angeles Harbor to the turning basin of Long Beach Harbor; (6) acquisition of suction dredge and accessories.

And to insert:

Los Angeles and Long Beach Harbors, Calif.: For the purpose of ascertaining the cost of improvements, as follows:

(1) Dredging to 35 feet deep the main entrance channel, including an area of approach to the outer harbor, and the reclamation of an area near Reservation Point for the use of the United States.

(2) Dredging a channel at least 300 feet wide and 30 feet deep around the perimeter of the west basin proper.

(3) Dredging a channel 300 feet wide and 30 feet deep from the turning basin to the southeast corner of east basin.

(4) Extension of San Pedro breakwater to a point between the Long Beach Harbor entrance and the sea outlet of the flood diversion channel.

(5) Dredging 30 feet deep and 300 feet wide the Ceritos Channel from the east basin of the Los Angeles Harbor to the turning basin of Long Beach Harbor.

(6) Acquisition of suction dredge and accessories.

Mr. KING. Mr. President, inquiring of the chairman of the committee, I should like to know whether he has had a conference with respect to these items with the Navy Department. I understand the Naval Affairs Committee has been giving some little attention—or, at least, will give some special attention—to the question of one or more naval bases upon the Pacific coast; and, of course, the question of harbors upon the Pacific coast is a matter that is important in the consideration of the naval defense of our country. Did the Senate's committee have in view in recommending this amendment the naval necessities of our country, or did they have in view primarily the commercial needs of the Pacific coast?

Mr. JONES of Washington. Mr. President, our committee had in view primarily the commercial needs of the Pacific coast. I will say, however, with reference to this amendment, that the Senate committee did not attempt to change the House provision, except to put it in language more like the usual and ordinary way of making appropriations for surveys. We did not go into the details of the matter especially. We found from the hearings that the House committee had been satisfied as to the desirability of this survey, and so about all that the Senate Commerce Committee did was to rearrange the language and put it in a little different form. Primarily, however, we thought this was for the benefit of the commercial needs of the coast.

Mr. KING. I will ask the Senator if it would not be a wise idea, in the consideration of this question, to take into account the naval needs of the Government, if there shall be any such needs, in this harbor?

Mr. JONES of Washington. If there should be any such needs, of course they should be taken into account, and I have no doubt but that the engineers will suggest those things if they have not done so already; but, of course, the Army does not consider especially the naval needs. In order to have them properly considered, of course there should be a sort of a joint commission; but I have not any doubt but that the engineers will suggest any naval needs that occur to them. And very likely the Navy Department, if they do consider that there are naval needs there, will suggest them to the Army Engineers, and they no doubt will cover them in their report as fully as they feel that they should.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator for a moment?

Mr. JONES of Washington. Certainly.

Mr. CHAMBERLAIN. If the Senator will notice the first section of the bill, he will find that there is a provision there that requires the engineers to report not only upon the local advantages but upon all advantages.

Mr. JONES of Washington. The Senator possibly was not in the Chamber when the Senator from Utah began. The Senator from Utah inquired about the naval needs.

Mr. CHAMBERLAIN. Yes; but I think that provision of the bill would require them to report not only upon the naval needs but upon all conditions. I may be mistaken about the extent of the amendment that the Senate inserted, but I think it is broad enough to permit the engineers to report upon all the needs.

Mr. JONES of Washington. I think that is true. It does require the engineers to report upon the national benefits. Of course, that was primarily intended to bring about a statement with reference to the local benefits and the national benefits, with a view to having the locality put up what was just and proper on account of local benefits.

I want to call the attention of the Senator from Utah to that amendment to the bill, which has been agreed to, which I consider one of the most important amendments in the bill, and one of the most advanced steps with reference to river and harbor improvements. We have inserted a provision in the bill which requires the engineers, in submitting their reports, to point out as clearly and fully as they can the local benefits which will come from such an improvement, together with their recommendations as to the contributions that shall be made by localities. I believe that will result in very great good and very great improvement along the lines of proper river and harbor appropriations.

The amendment was agreed to.

The next amendment was, on page 12, after line 8, to insert: Tillamook Bay, Oreg.

The amendment was agreed to.

The next amendment was, on page 12, after line 9, to insert: Tualatin River, Oreg.

The amendment was agreed to.

The next amendment was, on page 12, line 12, after the word "Oregon," to insert "with a view of," and in line 14, after the word "and," to strike out "including," so as to make the clause read:

St. Helens, Oreg., with a view of connecting deep water in the Willamette Slough with deep water in the Columbia River, and any proposal of cooperation by local interests.

The amendment was agreed to.

The next amendment was, on page 12, line 16, after the word "Oregon," to strike out "including" and insert "with a view of the," so as to make the clause read:

Nehalem River, Oreg., with a view of the removal of submerged rock near the inshore end of south jetty and any proposal for cooperation by local interests.

The amendment was agreed to.

The next amendment was, on page 12, line 23, before the word "Duwamish," to strike out "Duwamish waterway, Seattle Harbor, Wash.," in the same line, after the word "Harbor," to strike out "with the report on the practicability"; and in line 24, before the word "of," to insert "Washington, with a view," so as to make the clause read:

Duwamish Waterway, Seattle Harbor, Wash., with a view of widening or deepening, or both widening and deepening, the channel to accommodate present and future commerce.

The amendment was agreed to.

The next amendment was, on page 13, line 3, before the word "Wrangell," to strike out "Wrangell Narrows, Alaska," and in the same line, after the word "Narrows," to insert "Alaska," so as to make the clause read:

Wrangell Narrows, Alaska, with a view of deepening the channel to accommodate present and future commerce, and the determination of the relative advantages and practicability of the above improvement of Wrangell Narrows, as compared with the improvements of Dry Straits, recommended in House Document No. 68, Sixty-fifth Congress, first session.

The amendment was agreed to.

Mr. JONES of Washington. There is an amendment I want to offer after line 9, page 13. I move to insert the words "Wrangell Harbor, Alaska."

The amendment was agreed to.

Mr. JONES of Washington. Then, after line 10, on the same page, I desire to present this amendment, which was asked for by the commission which recently visited the Virgin Islands.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 13, after line 10, insert the following:

Harbor of Christiansted, St. Croix, Virgin Islands, with a view to securing suitable channel.

The amendment was agreed to.

Mr. SMOOT. Mr. President, in reading section 3 of the bill I notice that a most wise provision of existing law is repealed. I think a leeway of 40 per cent in excess of estimated cost of any project is large enough, as provided in existing law. The pending bill repeals this wise provision, and the estimated cost in a report upon a project may, if this provision of the bill is agreed to, be one-tenth of the amount which the project would cost. Evils have arisen in the past from just such estimates, and based upon experience in the past Congress passed the law now sought to be repealed. Now, Mr. President, this bill provides that it shall be repealed. I know it is not a committee amendment, and I simply want to state that when the bill is up for amendment I certainly shall ask the Senate to strike that part of the bill out.

Mr. JONES of Washington. I call the Senator's attention to the fact that that is not a committee amendment, but is a provision in the bill as passed by the House.

Mr. SMOOT. I stated that, and give notice now that when the committee amendments have been disposed of and the bill is open for further amendment I shall move to strike section 3 out of the bill.

The reading of the bill was resumed.

The next amendment was, on page 13, at the beginning of line 19, to strike out "Sec. 4" and insert:

"Sec. 4. That the following provisions relating to projects heretofore approved and adopted by Congress be enacted."

The amendment was agreed to.

Mr. KING. I understood that the Senator from Washington had some amendment to offer at the end of line 10 with reference to Porto Rico. I direct his attention now to that item. I rose to inquire whether there is any provision for any contribution to be made by the Territory of Porto Rico?

Mr. JONES of Washington. That will be passed upon by the engineers in making their report. If the Senator will turn to page 3 he will see an amendment, which we have agreed to, to this effect:

Every report submitted to Congress in pursuance of this section or of any provision of law for a survey hereafter enacted, in addition to other information which the Congress has heretofore directed shall be given, shall contain a statement of special or local benefit which will accrue to localities affected by such improvement and a statement of general or national benefits, with recommendations as to what local cooperation should be required, if any, on account of such special or local benefit.

That applies to every survey in this bill and every survey that will be hereafter provided for.

Mr. KING. May I inquire of the Senator whether the committee has taken into consideration the question of general legislation requiring, under certain circumstances, contributions to be made by the States in which the Federal appropriation is to be expended?

Mr. JONES of Washington. We expect that to be covered in this report of the engineers.

Mr. KING. That is a mere recommendation; but has the committee taken into account the enactment of any legislation?

Mr. JONES of Washington. That is as far as the committee has gone at this time.

Mr. KING. The reason why I make the inquiry is that I understand the State of Oregon, perhaps the State of Washington, the State of Massachusetts, and other States, have made very large contributions.

Mr. JONES of Washington. I think the Senator is mistaken. I do not think it is the States that have done it, but it is the localities. In Washington, for instance, they form what they call port commission districts, and within that territory they can levy taxes to be used for the purpose of improving the harbors.

Mr. KING. The local community or the State?

Mr. JONES of Washington. That will be covered exactly by this provision. That is the very purpose of this provision.

The next amendment was, on page 14, line 2, after the word "cost," to insert "at present prices," so as to make the clause read:

Yaquina Bay and Harbor, Oreg.: The Secretary of War is hereby authorized, in his discretion, in requiring compliance with the conditions precedent to the prosecution of the project adopted in the river and harbor act approved March 2, 1919, to credit the local interests with the cost at present prices of so much of the work performed by the port of Newport and the port of Toledo in the construction of the south jetty and the channel in the inner harbor as, in the opinion of the Chief of Engineers, conforms to the project plans and standards of the Government.

The amendment was agreed to.

The next amendment was, on page 14, line 7, before the word "Milwaukee," to strike out "Sec. 5."

The amendment was agreed to.

The next amendment was, on page 14, line 12, before the word "Delaware," to strike out "Sec. 6."

The amendment was agreed to.

The next amendment was, on page 14, at the beginning of line 19, to strike out "Sec. 7."

The amendment was agreed to.

The next amendment was, at the top of page 15, to insert:

Cumberland River above Nashville, Tenn.: The Secretary of War is hereby authorized to proceed with the prosecution of the existing project for lock and dam construction on that section of the river located in the State of Tennessee when the local interests in that State have complied with the conditions precedent imposed in the river and harbor appropriation act, approved March 2, 1919.

Mr. JONES of Washington. I desire to state that that is simply a rearrangement of a provision in the bill as passed by the House, so as to bring it under the section.

Mr. McKELLAR. That is entirely satisfactory.

Mr. KING. I would like to ask the Senator from Tennessee whether the investigations thus far made demonstrate the necessity and wisdom of putting in lock and dam construction and making the improvements called for?

Mr. McKELLAR. Absolutely. The Cumberland River runs from north to south in that part of our State, from Kentucky into Tennessee, for about 500 miles. For quite a distance it is the only means of communication. I have traveled the river, and I know how necessary is this improvement. The Corps of Engineers has recommended it, and I know from a personal examination that it can and ought to be utilized. It will open a productive country rich in farm products and rich in minerals, and there are no railroads in that part of our State. It is a matter of vital interest to a large area of my State, and I hope the Senator from Utah will not raise any objection to its inclusion in the bill.

Mr. KING. I will state to the Senator that I made some very exhaustive inquiries last year and the year before, with respect to such rivers and the projects covered by river and harbor bills, some in the Senator's State and some in Kentucky, and I found that on a number of those projects money had been wasted, that there was no necessity whatever for the appropriations, and that there was less traffic upon the streams now than there was many, many years ago, before the appropriations were made.

Mr. McKELLAR. That does not apply to this stream, where it is being improved. I hope the Senator will come to Tennessee so that I can give him an ocular demonstration of the facts. I shall be glad to do it.

The amendment was agreed to.

The next amendment was, on page 15, after line 7, to insert:

Willapa Harbor and River, Wash.: The sum of \$71,775, when deposited in the Treasury to the credit of the Secretary of War, shall be accepted by said Secretary of War as the total cash contribution required to be made by the city of Raymond and other local interests in connection with the project for improvement of Willapa Harbor and River, Wash., authorized by the river and harbor appropriation act approved July 27, 1916, and the joint resolution entitled "Joint resolution for improving Willapa Harbor and River, Wash.," approved September 19, 1917.

The amendment was agreed to.

The next amendment was, on page 15, after line 18, to insert:

Houston Ship Channel, Tex.: The Secretary of War is hereby authorized, in his discretion, in requiring compliance with the conditions precedent to the prosecution of the project adopted in the river and harbor act approved March 2, 1919, to credit the local interests with the cost of so much of the work performed by the city of Houston and the Harris County Houston Ship Channel navigation district in the construction of the turning basin and channel as, in the opinion of the Chief of Engineers, conforms to the project plans and standards of the Government.

The amendment was agreed to.

The next amendment was, on page 16, after line 3, to insert:

The seagoing dredge *Cumberland* may be transferred to the appropriation for improving Savannah Harbor without charge.

The amendment was agreed to.

The next amendment was, on page 16, line 7, to change the number of the section from 8 to 5.

The amendment was agreed to.

The next amendment was, on page 16, after line 13, to strike out:

Sec. 9. Cumberland River above Nashville, Tenn.: The Secretary of War is hereby authorized to proceed with the prosecution of the existing project for lock and dam construction on that section of the river located in the State of Tennessee when the local interests in that State have complied with the conditions precedent imposed in the river and harbor act approved March 2, 1919.

The amendment was agreed to.

The next amendment was, on page 16, after line 20, to insert:

Sec. 6. That, within areas to be prescribed by the Secretary of War, it shall not be lawful to throw, discharge, or deposit, or cause, suffer, or procure to be thrown, discharged, or deposited from any source whatever, any free acid or acid waste, or oil, in any form, either directly or indirectly, into any navigable water; and every person and every corporation that shall violate, or that shall knowingly aid, abet, authorize, or instigate a violation of the foregoing provisions of this section shall be guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding \$2,500, nor less than \$500, or by imprisonment (in the case of a natural person) for not less than 30 days nor more than one year, or by both such fine and imprisonment, in the discretion of the court: *Provided*, That this section may be enforced as provided in section 17 of the river and harbor appropriation act approved March 3, 1899, the provisions whereof are hereby made applicable thereto.

Mr. JONES of Washington. I will ask that section 6 may be passed over. There is some question about whether we ought to put an additional amendment on that.

The PRESIDING OFFICER. Without objection, section 6 will be passed over.

The next amendment was, on page 17, after line 13, to insert:

Sec. 7. That there shall be printed 2,000 copies of the laws of the United States relating to the improvement of rivers and harbors passed between March 4, 1913, until and including the laws of the third session of the Sixty-sixth Congress, of which 400 copies shall be for the use of the Senate, 1,000 copies for the use of the House, and 600 copies for the use of the War Department. Said compilation shall be printed under the direction of the Secretary of War.

Mr. SMOOT. I ask the Senator from Washington if there is any real necessity for section 7, and if there is an appropriation for it why is the item in this bill?

Mr. JONES of Washington. I will state that Col. Taylor came before the committee, and we set out his testimony in the report. He urged that this be done, and he said:

It has been customary to compile these laws from time to time and print an edition of 3,000 copies. I am making it 2,000 copies. I am making it 2,000 copies because we have found actually we have need for only 2,000 copies.

Senator CHAMBERLAIN. Does that include all of the river and harbor acts?

Col. TAYLOR. Yes, sir.

Senator CHAMBERLAIN. Does it collate affirmative legislation?

Col. TAYLOR. It does both. It takes in the river and harbor acts and all the bridge acts and matters of that kind which relate to river and harbor work. It has been customary to have this authorization in the river and harbor act about once in five or six years.

The CHAIRMAN. Then, the compilation is made in the Secretary's office?

Col. TAYLOR. It is made in the office of the Chief of Engineers.

Senator CHAMBERLAIN. When was the last one made?

Col. TAYLOR. In 1912 or 1913.

Senator CHAMBERLAIN. The list was made when?

Col. TAYLOR. 1912 and 1913.

The CHAIRMAN. What is the special requirement for it?

Col. TAYLOR. So that in referring to these matters we get them all together, and they can be readily found. They are of very great use in our office and apparently there has been considerable call for them from different Members of the Senate and House and by committees, where they seem to use them a great deal.

The CHAIRMAN. You did not present these matters to the House committee, did you?

Col. TAYLOR. No, sir; I had no opportunity. I had expected to do so, and then they suddenly decided to report the bill within a day or two and I had no opportunity. I did tell them I had some matters to take up with them and they promised to give me an opportunity to do it, but on account of the sudden decision to report the bill they failed to do it.

Senator CHAMBERLAIN. Have these publications heretofore been had out of this fund, or has it been done under the bill?

Col. TAYLOR. It has been done under the bill in exactly this same way.

The CHAIRMAN. What provision do you make for paying for it?

Col. TAYLOR. There is an allotment for printing these made to the War Department. We are given a certain allotment and it is paid for out of that.

The CHAIRMAN. Then, this does not mean any increased appropriation?

Col. TAYLOR. No, sir. We have not asked for any increase in appropriation on account of this at all. It comes out of our annual allotment, the same as the printing of the Chief of Engineer's report does.

The CHAIRMAN. You have no authority to do it?

Col. TAYLOR. No, sir; we have no authority.

The CHAIRMAN. You have to have authority?

Col. TAYLOR. We have to have special authority.

Mr. SMOOT. I can not understand why that is the case. If the appropriation has been made it was no doubt made in a lump sum and the War Department had a perfect right under the law to spend the money for printing. I know of no provision in the law that specifically states that such printing shall not be done.

Mr. JONES of Washington. I have just read the reason.

Mr. SMOOT. I do not believe the statement made is correct, and I wanted to know if the Senator had looked into the question further since I spoke to him about it.

Mr. JONES of Washington. The Senator from Utah, of course, knows more about the printing laws than I do, and I think probably more than any other Senator. I did not look it up further, because Col. Taylor said he did not have authority to do it, and I took that as a statement of fact, think-

ing that the Engineer officer ought to be thoroughly familiar with it. He said they always had to get special authority at this time. I do not know.

Mr. SMOOT. It may be that the printing of 2,000 copies falls within the limitation of the number of copies that can be printed. If it does, then, of course, they would have to have authorization not by Congress but, under the printing law, by the Joint Committee on Printing, to print an additional number. That is all I can think of. I am sure if it is necessary the Joint Committee on Printing will not object.

I will not make objection to the item, only I do not want the different departments of the Government to think that they can come to Congress and have the printing laws repealed on appropriation bills without question.

Mr. JONES of Washington. I do not want them to do it, either. If the Senator from Utah thinks that this is not necessary, if he thinks that authority can be given to them for the printing of this document without express legislation, I am perfectly willing to withdraw the amendment.

Mr. SMOOT. I am not going to ask the Senator to withdraw the amendment, because I take it for granted that 2,000 copies will not be too many to meet the demand.

Mr. JONES of Washington. I think that is true.

Mr. SMOOT. Therefore I am not going to object.

The amendment was agreed to.

The next amendment of the Committee on Commerce was, on page 17, after line 22, to insert:

SEC. 8. That appropriations heretofore, herein, or hereafter made for works of river and harbor improvements, or so much thereof as shall be necessary, may, in the discretion of the Secretary of War, be used for maintenance and for the repair and restoration of said works whenever from any cause they may have become seriously impaired, as well as for the further improvement of said works.

Mr. KING. Mr. President, it seems to me the provisions of this section are very dangerous, and will permit a license that will prove very expensive to the Government. One of the maxims which ought to be followed in making appropriations is to designate with particularity the amount of the appropriation and the purpose for which the appropriation is to be expended. That makes for honest and efficient administration and tends to keep a check upon appropriations made.

If we allow the latitude that the proposed section 8 permits and authorize employees of the Government to utilize unexpended balances for other purposes in their discretion, it will lead to abuses which, in my opinion, will in the end prove very extravagant and harmful to the Government. I think it is very unwise to have a provision that the Secretary of War, in his discretion, may use an appropriation which is made for a specific purpose to maintain and repair and restore work. It may be that Congress, upon investigation as to what has been destroyed, may conclude to abandon it, and after an improvement for which an appropriation has been made has been destroyed, to permit some official of the Government without further authorization by Congress to divert an appropriation, which was made for some purpose, to the rehabilitation of the destroyed work is an example which, I think, will come back to vex the Government and will be very harmful in its operation.

Mr. JONES of Washington. I think the Senator misunderstands the purpose and effect of the amendment. The amendment does not permit the Secretary of War or Chief of Engineers to take the money that has been appropriated for one project and use it on another project. It does authorize, however, as I understand it, where money is appropriated for the improvement or maintenance of a project, if the necessity requires more money for maintenance than we have appropriated, and there is more money for the carrying on of the improvement of the project, a part of the money may be used for the necessary maintenance.

The Senator will understand that in making these provisions where we specify the items in the bill, the amount for maintenance, for instance, is an estimated amount.

It is the amount estimated by the engineers that may be necessary to maintain the project. They may be mistaken. It may not be sufficient. This may occur from various reasons. Some unexpected storm or disturbance of some kind may come up that will require a larger sum for maintenance. If there is money appropriated for the improvement, it seems to me that it is economical and wise that part of the money could be used to take care of such an emergency. That is the purpose of this appropriation. It has been carried in almost all river and harbor bills for many years. Col. Taylor stated in his testimony that it was carried so frequently that he thought it was permanent law, and urged that before the House committee; but when they got to looking it up they found that it was not, but that it was carried in each river and harbor bill, and therefore only applied for the year. That is the pur-

pose of the amendment. I think myself it is a wise one, and in the interest of economy and efficient conduct of these works.

Mr. SMOOT. Mr. President—

Mr. KING. I yield to my colleague.

Mr. SMOOT. I think the Senator from Washington is mistaken when he says that the provision applies only to each particular project. The wording, I think, is in the plural all the way through, and I think it covers all projects, and can be used in any way that the Secretary of War may designate. It reads:

That appropriations heretofore, herein, or hereafter made for works on river and harbor improvements, or so much thereof as shall be necessary, may, in the discretion of the Secretary of War, be used for maintenance and for the repair and restoration of certain works whenever from any cause they may have become seriously impaired, as well as for the further improvement of said works.

I think that means that in an appropriation bill such as this, where a certain amount is appropriated for improvements on the rivers and harbors, and a certain amount is appropriated for maintenance of the rivers and harbors, that if it is found through any cause that any project is seriously impaired, then the part of the money that was appropriated for improvements can be expended upon the project so impaired for maintenance and for the repair and restoration of such work. I do not believe that it applies to the appropriation made for the particular project.

Mr. JONES of Washington. Of course, I did not mean that it applies only to one project. It applies to all projects, but I did not understand, for instance, that if we have appropriated money for the repair and improvement of harbors on the Atlantic and we have also appropriated money for maintenance and repair of harbors on the Pacific, and there should be a serious disturbance in some harbor on the Atlantic that required more money for repairs than they had there, that they could take, for instance, money from the improvement on the Pacific to that harbor on the Atlantic to repair it. However, if there is money appropriated for that harbor for improvement, a part of that money can be taken for maintenance.

Even if the construction that the Senator makes is correct, that they could take from money appropriated for improvements anywhere for repairs at a particular place, I see no serious objection to that in view of the language. The language is:

So much thereof as shall be necessary, may * * * be used for maintenance and for the repair and restoration of said works whenever from any cause they may have become seriously impaired.

It might be very important that those repairs should be done promptly. All this work must be done upon the estimate of the engineers. We take their judgment in the matter; we have to do it. So even from the standpoint that the Senator presents I do not see any serious objection to it, although I did not understand that the language went that far and I hardly think it will be construed that way now.

Mr. SMOOT. This does not apply only to this appropriation bill. It applies to appropriations heretofore, herein, or hereafter made. Appropriations heretofore have been made so much for improvement upon each project and so much for maintenance and for repairs. Under this amendment they can take money from the appropriation that was made originally for improvement of a particular project and use it for the restoration of an impairment of any project.

Mr. JONES of Washington. If it has been seriously impaired, what objection does the Senator see to that? Does not the Senator think the repairs should be made?

Mr. SMOOT. Certainly they ought to be made.

Mr. JONES of Washington. If they are not made, then the whole of the money that we have spent for improvements is lost or may be lost.

Mr. SMOOT. I did not rise to discuss the question whether it ought not or ought to be made. I simply wanted to call attention to the construction of the paragraph, as I understood it.

Mr. JONES of Washington. I understand.

Mr. SMOOT. I recognize the fact that if there is a serious impairment to any project, it must be repaired, and there is no question about that. I recognize the fact that former projects have been appropriated for, so much for improvement and so much for maintenance, and the appropriations for improvements have not been all spent and the maintenance appropriation has been expended, and if serious impairment came to the project the only way it could be remedied would be to come to Congress and ask for additional appropriation for maintenance.

According to the manner in which river and harbor appropriation bills have been framed and enacted in the past—I mean prior to about three years ago—specific amounts were appropriated for improvement and specific amounts for maintenance.

Mr. EDGE. Will the Senator from Washington yield to me?

Mr. SMOOT. I will conclude in just a moment. In the reports now submitted by the Engineers we find that they show

the amount of money expended for improvement and the amount expended for maintenance. I think, however, Mr. President, the amendment of the committee goes a little too far by putting in the words "hereafter made." I think Congress ought to have the right to say how appropriations shall be hereafter made without repealing a law. I therefore think the Senator ought to modify the amendment by striking out the words "or hereafter made," so that it would read:

That appropriations heretofore or herein made for works of river and harbor improvements.

Mr. JONES of Washington. I have no objection to such an amendment. It would necessitate, however, in the event we pass a subsequent bill, the insertion of a specific provision similar to that in the committee amendment; but of course that would not be difficult.

Mr. SMOOT. The reason for my making the suggestion is that we do not know whether the next river and harbor appropriation bill will be a lump-sum appropriation or on the old plan of making separate appropriations for improvements and maintenance.

Mr. JONES of Washington. That is true.

Mr. SMOOT. And I think that if a provision were now inserted in this bill to apply to appropriations hereafter it would hardly be wise.

Mr. JONES of Washington. I have no objection to the amendment proposed by the Senator from Utah.

Mr. KING. Mr. President—

Mr. SMOOT. If the Senator has no objection to my amendment, I hope he will allow it to be acted upon.

Mr. KING. I have no objection; I approve of the amendment; but as soon as it is disposed of I shall resume the floor.

The PRESIDING OFFICER. The amendment proposed by the Senator from Utah to the amendment of the committee will be stated.

The SECRETARY. In section 8, on page 17, line 23, in the committee amendment, after the word "heretofore," it is proposed to insert the word "or"; and, in the same line, after the word "herein," to strike out the words "or hereafter," so as to read:

That appropriations heretofore or herein made for works of river and harbor improvements.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. EDGE. Mr. President, I have a suggestion—

Mr. KING. If the Senator will permit me to conclude my observations, I shall then be glad to yield.

Mr. President, I have listened very attentively to the reply which has been made by the Senator from Washington [Mr. JONES], and I do not think he has quite met the suggestion which I made a moment ago. I repeat that, in my opinion, it is very unwise to give this unlimited authority to the Secretary of War. I do not think that an appropriation that is made for a specific purpose, for instance, for the deepening of a channel or of a harbor, should be used for the purpose of improving it in some other particular. It seems to me that this section, if it is to be carried in the bill, ought to be modified. I repeat that many appropriations are made for a specific purpose. The sum of \$100,000, for instance, may be appropriated for the deepening of a harbor or a channel, upon which other improvements have been authorized, and which perhaps are being made, and it seems to me it would be wholly improper, if all of that fund were not used in the deepening or widening of the channel or the harbor, to use it for other improvements which had been authorized in and about the harbor or in or about the channel; and yet this language, as I interpret it, would be sufficiently broad to permit the diversion of funds which had been appropriated for a specific purpose for use for some other purpose.

Mr. JONES of Washington. Mr. President, the Senator from Utah is mistaken as to that. The department has no authority to use the money which we appropriate except for the projects which we approve. Whenever the Congress approves a project, that project and its limits are fully described in the reports of the engineers, which are referred to in the provision making the appropriation. Under no circumstances could they take any of the money thus appropriated and inaugurate a new project or use it for any purpose that Congress had not passed upon and authorized. I do not think there is any question about that. They can only use the money—and the section so provides—"for maintenance and for the repair and restoration of said works." That means works that the Congress has authorized and provided for. They can not expend it upon new works and new projects that have never been submitted to Congress.

Mr. KING. Mr. President, I respectfully dissent from the view of the Senator, if I interpret him correctly. From the

language of the section, where an appropriation has been made for the construction of a harbor and \$100,000, say, has been provided for deepening and \$100,000 for widening the channel in the harbor, I have no doubt that if only \$75,000 of it were used for deepening it, under this language, the other \$25,000, in the discretion of the Secretary, might be appropriated for some other purpose in connection with the general project which had been authorized by Congress.

Mr. JONES of Washington. It could not be used for any purpose, except repairs, where the work has been seriously injured and where repairs are needed.

Mr. KING. It could be used for repairs on the general improvement; not on the specific one but on the general one, of which the specific improvement may be a part. This amendment will permit the utilization of funds appropriated for a specific purpose, which constitutes a part of the general plan, for the improvement of the general plan, where all of the appropriation is not used for the specific part of the general plan.

Mr. JONES of Washington. Let me suggest to the Senator that the language in this clause will not bear that construction. The money can not be used except for repairs, where the work has been seriously impaired; that is, for maintenance.

Mr. KING. I beg the Senator's pardon. If the Senator will indulge me, in the last line and fraction of the section these words appear:

As well as for the further improvement of said works.

Mr. JONES of Washington. That means the work that Congress has adopted.

Mr. KING. Exactly.

Mr. JONES of Washington. Well, if Congress has adopted a project, has authorized and appropriated for it, if there is money available for carrying it on, why should it not be done?

Mr. EDGE. Mr. President, I have a suggestion—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Jersey?

Mr. KING. I yield to the Senator from New Jersey.

Mr. EDGE. I simply have a suggestion to make in connection with the argument presented by the Senator from Utah. Would there be any objection to adding at the end of the section, after the words "as well as for the further improvement of said works," language similar to this:

Provided, however, That no appropriation shall be diverted from one project to another.

I think that really makes clear the intent of the Senator from Washington, as he, I think, correctly interprets the section; but there is certainly a question as to the meaning of the language as it now stands, and what I have suggested, it seems to me, would entirely clear it.

Mr. JONES of Washington. I should have no objection to such an amendment.

Mr. KING. That, in part, meets the criticism which I have suggested.

Mr. EDGE. I offer that amendment, Mr. President.

Mr. KING. But let me say to the Senator from New Jersey that if the word "project" could be interpreted in the proper way perhaps that would cover most of the criticism which I have offered; but the word "project," I am afraid, could be construed as the entire plan of improvement and not a particular part of the plan of improvement.

Mr. EDGE. Mr. President, I think the Senator is a little too technical. In my opinion the word "project" has generally been considered to mean a scheme of improvement. Whatever it may be, it covers the whole question of a particular improvement.

Mr. KING. There may be a project within a project, as the Senator knows.

Mr. EDGE. Then I very frankly say that money may be used for a project within a project when maintenance is necessary.

Mr. KING. I object to that. I think that would be very unwise, because a portion of a project, constituting a project in itself, might be destroyed, and the appropriation made for that particular project, which is a portion of a project or a project within a project, might be diverted to the general project; and Congress might not be willing, with the destruction of that specific project, that the money should be diverted to the use of the general project.

Mr. JONES of Washington. Let me suggest to the Senator that when we use the term "project" in referring to an improvement authorized by Congress all that it embraces or includes is what Congress has provided for. I will cite an example to illustrate that to the Senator. The Senator from New York [Mr. CALDER] and the people of his State in the particular locality were extremely anxious to secure an appropriation in this bill for the Jamaica Bay project. When that improvement was reported upon several years ago by the Engineers they

recommended a certain project embracing certain improvements and ultimately providing for a depth of 30 feet, but they suggested that the first step should be a channel of 18 feet.

The Chief of Engineers approved the project generally but stated that, in his judgment, no improvement should be authorized by Congress to start with except for the 18-foot channel, and that nothing beyond that should be done without further authorization of Congress. The engineers hold that that project—and that is the rule of Congress—embraces only the 18-foot depth and not the 30-foot depth. That is what the appropriation was made for, and none of that money, under the language of section 8, could be used for anything outside of an 18-foot depth. The engineers so hold, and the Secretary of War so construes the law, that they can not expend any money to secure anything except the 18-foot channel until Congress authorizes something different; so that while there is a general big project looking to a depth of 30 feet, the only project within the contemplation of the law is the 18-foot project.

Mr. SMOOT. Mr. President, I wish to express the hope that the amendment offered by the Senator from New Jersey [Mr. Edge] will be agreed to, because I think that that amendment clears up the section and makes it plain that if an appropriation is made for a certain project it can only be diverted from the improvement of the project to the maintenance of the identical project. Perhaps objection could be raised even to that, because that is not what Congress intended the money to be expended for, but with the amendment of the Senator from New Jersey I am quite positive that the money can not be diverted any further than as suggested by me.

Mr. KING. I am quite in accord with the views announced by my colleague, and I hope that the amendment offered by the Senator from New Jersey will be accepted.

Mr. EDGE. I offer this amendment to the amendment, namely, in section 8, on line 5, page 18, after the word "works," to add the words "Provided, however, That no appropriation shall be diverted from one project to another."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator for a moment?

Mr. KING. I yield.

Mr. TOWNSEND. As I understand, this is a provision which has been carried in river and harbor bills for years; in fact, it has been carried so long that the department considers it as existing law rather than a year-to-year provision. I do not understand that there has ever been any construction placed upon it otherwise than that proposed by the amendment offered by the Senator from New Jersey; I believe there has been no abuse of this proposition, and, therefore, it seems to me that the provision is absolutely innocuous in so far as any danger is concerned such as that to which the Senator from Utah has called attention.

Mr. KING. I hope the Senator is right, but I do not share the optimism which the Senator has expressed in reference to the manner in which these laws are administered.

I desire to call the attention of the Senator having this bill in charge to the last line of section 8 and ask whether he will accept as an amendment the following: After the word "further" and before the word "improvement," in line 5, page 18, add the word "authorized," so that it will read "as well as for the further authorized improvement of said works."

Mr. JONES of Washington. I have no objection to that.

Mr. KING. That will eliminate some of the objection which I have to the provision.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Utah to the amendment reported by the committee is adopted. The question now is upon the amendment offered by the committee as amended.

The amendment as amended was agreed to.

Mr. KING. I wish to give notice to the Senator from Washington that I shall, perhaps, offer a further amendment to section 8, and I ask that I may do so when the bill gets into the Senate. I do not wish to defer the action upon this section now.

Mr. SMOOT. Mr. President, do I understand that the amendment offered by the Senator from New Jersey has been agreed to?

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey has been adopted, as has the amendment offered by the Senator from Utah, and the committee amendment as amended has been agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Commerce was, on page 18, after line 5, to insert:

Sec. 9. That the Secretary of War be, and he is hereby, authorized and empowered, in his discretion, to transfer, free of charge, to the Chief of Engineers, United States Army, for use in the execution, under his direction, of any civil work or works authorized by Congress, such material, supplies, instruments, vehicles, machinery, or other equipment pertaining to the Military Establishment as are or may hereafter be found to be surplus and no longer required for military purposes.

Mr. KING. Mr. President, I want to ask the Senator if he has made inquiry of the Military Affairs Committee as to whether or not there are any supplies available for the purposes indicated?

Mr. JONES of Washington. I have not.

Mr. KING. We have been appropriating now in four or five bills, as I supposed, all of this paraphernalia not used by the Secretary of War to various other committees and instrumentalities of the Government.

Mr. JONES of Washington. I will state that Col. Taylor, representing the War Department, appeared before the committee and urged this provision very strongly, and it seems to me that it speaks for itself. If the War Department has material and machinery that could be profitably used in connection with this work, why is it not an economical thing to allow it to use it?

Mr. KING. I want to say to the Senator that in my opinion legislation of this kind is very unwise, and it has been demonstrated with respect to automobiles and a large amount of the surplus products that were the aftermath of the war. As the Senator knows, at the conclusion of the war there were thousands and tens of thousands of automobiles, and millions and tens of millions of dollars' worth of equipment, which were not needed any longer by the Army. We authorized the disposition by the Secretary of War to the Public Roads Department and to the Post Office Department, as well as to other departments, of some of these surplus automobiles. I am informed that some of the agencies of the Government to which allocations were made made exorbitant requests. They said: "The Government has these supplies on hand. Let us get as many of them as we need, and as we may need"; and the result was that their demands were very extravagant.

I think legislation of that kind is improper. The property ought to be sold, or a committee ought to be authorized to make a survey, and upon that survey and a determination of the imperative needs of any agency of the Government, then to make an appropriate allocation; but to make the general distribution which we have been making without limitation I submit is unwise, and leads to extravagance and waste.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. WARREN. I agree with the Senator in many respects as to what he has said about extravagant use; but in other bills we have opened the door for that, and departments that have not been in the habit of using such material may have been, and doubtless have been, extravagant.

In this matter, with the engineers for rivers and harbors, I think that it is the safest place and the safest department where we could permit the use of those things; and, having done what we have, I think the move is all right. In addition to whether it is right or not, I assume that that department, as well as some others, is already in possession of and using material borrowed from the War Department, because, as a matter of fact, river and harbor work is itself within the War Department under the Engineer Corps.

Mr. JONES of Washington. Mr. President, I want to suggest to the Senator that this does not transfer the property to a new department. It is now under the Secretary of War, and the Engineers are under the Secretary of War; and it seemed to me that this was in the interest of economy, the interest of making proper use of what the Government might have, if it has anything. If the Senator can suggest any way in which better use can be made of any supplies that they have, I would welcome it.

Mr. KING. Mr. President, it is needless to invite attention to the fact that if there are quantities of automobiles—and I use the word "automobiles" because we are familiar with the large number which the Government has—if the Government is in the habit of transferring to departments and to agencies and to executive instrumentalities supplies upon their request upon the theory that those supplies are not needed by the Government those instrumentalities and agencies will make exactions far beyond their needs. The men who make them may think that they are acting prudently, but the very fact that there is an understanding that the Government has supplies that are available, that will not be used, will lead to extravagant exactions. I have understood that we have made distribution of the automobiles and other articles that are called for here to

various other departments, and that is the reason why I inquired of the Senator whether he had made inquiry to ascertain whether there were any supplies left available for distribution, as provided in this bill.

Mr. JONES of Washington. I take it that it would not be automobiles that would be used here. This is a supply of things that would be of special use in connection with carrying on river and harbor improvements. It struck me as such a wise provision in the statement of the engineers, and such a wise use of the supplies, that I did not inquire any further.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 18, after line 14, to insert:

SEC. 10. That section 4 of the river and harbor appropriation act, approved June 25, 1910, be, and the same is hereby, amended so as to read as follows:

"SEC. 4. That whenever any vessel belonging to or employed by the United States engaged upon river and harbor works collides with and damages another vessel, pier, or other legal structure belonging to any person or corporation, and whenever, in the prosecution of river and harbor works an accident occurs damaging or destroying property belonging to any person or corporation, and whenever personal property of employees of the United States, who are employed on or in connection with river and harbor works is damaged or destroyed in connection with the loss, threatened loss, or damage to United States property, or through efforts to save life or to preserve United States property, the Chief of Engineers shall cause an immediate examination to be made, and if, in his judgment, the facts and circumstances are such as to make the whole or any part of the damages or destruction a proper charge against the United States, the Chief of Engineers, subject to the approval of the Secretary of War, shall have authority to adjust and settle all claims for damages or destruction caused by the above designated collisions, accidents, etc., in cases where the damage or expense does not exceed \$500, and pay the same from the appropriation directly involved, and to report such as exceed \$500 to Congress for its consideration."

Mr. SMOOT. Mr. President, in my opinion there ought to be general legislation covering all such cases, not only in connection with rivers and harbors, but in connection with the Navy and Army. Within the last 30 days at least 12 or 14 bills have been passed by Congress for the purpose of allowing certain claimants to go to court. I think we ought to have a general bill covering this whole subject. As this is general legislation changing existing law, I make a point of order against the amendment.

Mr. JONES of Washington. Mr. President, I hope the Senator will withhold that point for just a moment. This amendment was urged very strongly by Col. Taylor. I can not lay my hand upon his statement just at this moment, however.

Mr. SMOOT. If the Senator desires, I will ask that the amendment go over.

Mr. JONES of Washington. I will ask the Senator to let it go over so that I can look up the statement of Col. Taylor.

The PRESIDING OFFICER. If there is no objection, the amendment will be passed over.

Mr. KING. Mr. President, does my colleague withdraw the point of order?

Mr. SMOOT. No.

Mr. KING. I shall raise it if he does not.

Mr. NELSON. Mr. President, I desire to call the attention of the Senator from Utah to the fact that this amendment is strictly limited to cases where the damage is done by vessels or craft employed in river and harbor improvements, that it does not cover anything else, and that no case can be passed upon where the damages are more than \$500. I want to say to the Senator further that Congress has passed a law allowing suits to be brought against the United States in all cases of collision except in the case of warships or naval vessels—all merchant vessels. The act approved March 9, 1920, covers all cases of merchant vessels, allowing suits to be brought against the United States.

Mr. SMOOT. Some 14 special bills dealing with this subject have been passed by Congress within the last 30 days.

Mr. NELSON. I can not help that. There is a general law by which they can go to court in all cases of merchant vessels. We have a general law covering them, and I will give the Senator a copy of it, so that he can see what it provides.

Mr. SMOOT. I wish the Senator would; but I will ask that the amendment go over.

Mr. JONES of Washington. Mr. President, I have found what I was looking for awhile ago, and I want to call it to the attention of the senior Senator from Utah and to the attention of the junior Senator from Utah also. I should like to have the junior Senator from Utah notice this, and then, after I make this statement, if the point of order is insisted upon, very well.

We have a law now, section 10 of the river and harbor act referred to here, which provides:

That whenever any vessel belonging to or employed by the United States engaged upon river and harbor works collides with and damages another vessel, pier, or other legal structure belonging to any person or corporation—

The Chief of Engineers can cause an immediate survey to be made, and he can settle the claim if it does not exceed \$500. The only addition we make by this section is this:

And whenever personal property of employees of the United States, who are employed on or in connection with river and harbor works, is damaged or destroyed in connection with the loss, threatened loss, or damage to United States property, or through efforts to save life or to preserve United States property—

Then they can settle the claim, if it does not exceed \$500.

If the Senate prefers to allow this law to stand as it is, under which they can settle a claim resulting from a collision where it does not exceed \$500, and is not willing that they should settle the claim of a poor laborer or a man who is employed upon these works whose personal property is destroyed in his attempt to save life or save property of the United States, very well. That appealed to the committee, however, as a change that we could well afford to make in this legislation; and Col. Taylor submits, and there is included in the report, a list of the claims that have been pending. They are small claims; and, as the Senator from Utah says, we have passed legislation of this kind. During this session of Congress we have passed legislation of this kind for the Coast and Geodetic Survey, allowing them to settle such claims; and Col. Taylor called the committee's attention to the fact that we have a law to authorize the settlement of claims growing out of collisions between vessels, and things of that kind, but that we did not have a law allowing the settlement and adjustment of claims for the destruction of the personal effects of any man employed on river and harbor work, and so forth, and we felt that that ought to be put in.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator?

Mr. JONES of Washington. I yield.

Mr. TOWNSEND. In other words, we have an existing law which provides for the settlement of claims of corporations or large concerns to the extent of \$500, but we are not willing to allow that same right to the poorer people, the employees and others, who may have been engaged in rendering very valuable services to the Government.

Mr. JONES of Washington. The committee thought that that was the purpose.

Mr. SMOOT. Mr. President, I still say that claims of this kind come up in the War Department and the Navy Department, and many others are referred to the Claims Committee, and there is hardly a deficiency appropriation bill passed by Congress that does not include a list of them.

Mr. NELSON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. SMOOT. Yes.

Mr. NELSON. Do you want to say to these poor laborers on river and harbor work, who have their property destroyed or injured, that they must go into the Court of Claims for a little claim that does not amount to over \$50 or \$100? Is that what you want?

Mr. SMOOT. If the Senator had waited I would have told him what I want. I want the employees on river and harbor work to be treated exactly the same as employees of other departments of our Government and no differently. If there is to be a law passed providing that any employees of the Government shall have their claims adjudicated by the head of the department or by some individual in that department, and the amount paid, it ought to apply to all the employees of the Government. We ought to have a general law covering the whole question. There is no difference between the poor man working on rivers and harbors and the poor man working for the Navy or Army or any other department of the Government. When we talk about a law, if we are going to have it let us have a general law so that all these claims for the destruction of personal property can be settled by some one in the department, just as this amendment provides. It is general legislation, Mr. President, and I make the point of order against it.

Mr. WARREN. Will the Senator withhold his point of order for just a moment?

Mr. SMOOT. Yes.

Mr. WARREN. This is a somewhat new departure. For years the departments could not settle for a penny, except as it was sent up to Congress in the way of an estimate or audited claim. This is more open and wider than anything I have seen, because, in the first place, it says the Chief of Engineers. It

does not say there shall be a board of survey, and that report should be sent up. Besides, it makes the limit very large and leaves the claims out of the reckoning of matters of appropriation entirely. I think all these matters should be passed upon by a board of survey and be sent up in the regular way, and should be promptly paid; but I do not like to see \$500 as a limit that can be paid in the manner in which they propose to pay it.

Mr. JONES of Washington. The Senator from Wyoming says this is a new thing. The section amended was in the act of June 25, 1910—10 years ago.

Mr. WARREN. That is for vessels.

Mr. JONES of Washington. Certainly; for vessels.

Mr. WARREN. I am speaking of it as a new thing so far as it is incompatible with other departments. I do not know any reason why a river and harbor bill should be in all respects entirely lawless, as compared with other appropriation bills and matters. Perhaps I should not use the term "lawless," but I do not know why it should have such a privilege over any other measures.

Mr. JONES of Washington. We are not asking for any special privilege in the river and harbor bill. We are asking for some consideration, however, for men working on river and harbor improvements, where their property is destroyed, and if we can not get that special legislation and can get it on the river and harbor appropriation bill, we want to do it.

Mr. NELSON. My recollection is that the Navy Department has the same power to settle small claims for collisions.

Mr. WARREN. That provision is only for the settlement of small claims.

Mr. NELSON. Up to \$500, according to my recollection.

Mr. JONES of Washington. I do not know whether that is true or not, but whether the Navy Department has the authority or not has but very little weight with me, if it is a just proposition. If there is an opportunity to provide for the men on one class of work, I do not see why we should hold off and continue to do injustice to them because we are not covering everything in the Government service. I would like to see a general law, covering everybody. I think that would be very wise. But we have not done it, we are not doing it, and we will not do it. However, we have provided for claims of this kind, as well as other claims, with reference to various departments of the Government. As I said awhile ago, we provided for the Coast and Geodetic Survey just a short time ago, and we did it largely upon the basis that another branch of the Commerce Department had authority to settle claims, I forget now what it was, but it was shown in the report and shown in the Record here, and the Senate passed the bill.

Mr. President, I have not had an opportunity to look the matter up, but my recollection is that the House of Representatives, at any rate, has held the river and harbor bill to be different from the ordinary appropriation bill. It has held matters to be in order that would not be in order upon a regular appropriation bill. But I am not going to make any particular contention because of that.

I know this appeals to the Senator from Utah [Mr. Smoot]. I know he is just as anxious to do justice to these people as I am, but it does seem to me that he ought not to insist, in a case like this, upon the point that it is general legislation.

The Senator from Wyoming suggests that there are large claims of this character. At the same time he refers to collision of vessels, damage to property, and destruction to property. If the engineers can safely settle those claims, and nobody can point out where they have not properly settled them, why can they not settle claims of this character?

Mr. SWANSON. In the Navy Department there were a great many small claims accumulated for damage by aircraft and damage of various kinds arising from collision of vessels. After looking at those claims and taking the time of Congress, we authorized the Secretary of the Navy to settle claims not exceeding \$500.

Mr. SMOOT. For collision.

Mr. SWANSON. It is for damage by aircraft, and is not confined to collision. As I understand the law, take the aircraft, a man may injure somebody's farm or house. All those little things accumulated, and in France there were many of them, and we authorized the Navy Department to settle claims not exceeding \$500. We saved time by it, we saved money by it, and we saved worry by it; and it seems to me it is a pretty good policy where the amount does not exceed \$500.

Mr. WARREN. Does the Senator remember what appropriation is made? What amount per annum is appropriated for that purpose?

Mr. SWANSON. We did not make an appropriation per annum. These reports have to come in, and appropriations

are made subsequently for them. But I do not think it is very much. We made no general appropriation for it.

Mr. WARREN. How much per annum? Perhaps \$5,000?

Mr. SWANSON. I could not tell. I have no idea, except that I know in France, having airplanes, and at the navy yards, vessels going everywhere, trouble coming, little burnings, and so on, the claims accumulated, and it was nearly impossible to settle them in Congress. We thought it was better to let them settle claims not exceeding \$500. Some wanted to make it more, but we refused, because we felt satisfied that these little claims could be satisfied that way better than by litigation.

Mr. LODGE. I am sure that in the Army there is a fund for settling such claims as damages arising from firing big guns in the neighborhood of houses, where they shatter windows, and that sort of thing.

Mr. WARREN. I suggested that for years there was nothing of that kind, and finally a small amount was allowed in our regular annual appropriation bill.

Mr. LODGE. We authorized it. I think a fund was given to the War Department and they settled the claims.

Mr. SWANSON. If you were to repeal that provision as applying to claims of \$5, \$10, \$25, or \$50, requiring them to be settled in the Court of Claims, it would cost any amount of money.

Mr. LODGE. I know the War Department settle such claims themselves.

Mr. JONES of Washington. I want to call the attention of the Senator from Utah to these facts, which, I think, will appeal to him: During the last 10 years they have settled under the authority they had claims amounting to \$7,240.13, or an average of \$814.14 a year.

Mr. SMOOT. That is for collisions?

Mr. JONES of Washington. That is right. They have settled, for instance, claims of the Norfolk & Southern Railway Co., the Virginia-Carolina Chemical Co., the Tucker Stevedoring Co., the Morse Dry Dock & Repair Co., the Columbia River Packers' Association, and a long list of others. That is the general character of the claims they have settled. What about these other claims? The engineers say:

The desirability of additional relief legislation is shown by the fact that there have accumulated during the past 10 or 15 years under the Engineer Department a total of about 25 claims, which have been carefully investigated and found to be just, all but 5 of which have been submitted to Congress with recommendations that appropriations be made to authorize payment. No appropriations have been made in response to the recommendations. The five which have not been recommended have likewise been investigated and found to be just and reasonable, but have not been recommended because their adjustment has been only recently completed. The total of these claims is \$9,960.58, or an average of less than \$1,000 per annum.

What is the character of these claims?

Here is a list of the claims:

Reimbursement for value of personal effects destroyed as result of explosion on ship *Alum Chine*.

That is for the ordinary individual, no company being involved there.

Reimbursement for value of personal effects lost by burning on U. S. dredge *General C. B. Comstock*; 22 civilian employees of the Engineer Department at large.

They are the ones who suffered from that loss.

Reimbursement for windows broken by concussion from blasts; Mr. P. C. Grimm, Lincoln, Wash.

Reimburse crew of dredge *Captain C. W. Howell* for private property lost when dredge sank, September 14, 1911; 16 men, composing the crew of the U. S. dredge *Captain C. W. Howell*.

That is the character of claims the engineers want to settle. They have adjusted these claims. They have decided what is due. They have sent their recommendations down to Congress, and we have not provided for them, and these men must go without their money. They can not afford to hire an attorney and go into the Court of Claims. It would cost much more than their claims, and it does seem to me that we ought to make this provision, and that we can safely make it. If we are not going to do it, we ought to repeal the legislation for the settlement of claims of great companies with reference to collisions, where we have provided for their settlement. It seems to me that ought to appeal to the Senator from Utah, and that we ought not to hold these things off because we have not a general proposition. I appeal to the Senator to allow this to stand.

Mr. SMOOT. Mr. President, these claims from the department have come to the Appropriations Committee, not 5 or 10 or 25 claims, but hundreds of claims. This is the first time I have heard that there has been a refusal of such claims when submitted, and submitted in the regular way. The Secretary of the Treasury may have refused to submit them to the committee; I do not know; but I do know that hundreds of claims have

been paid. They are in almost every deficiency appropriation, as the Senator from Wyoming [Mr. WARREN] has already stated.

As far as general legislation is concerned, I am perfectly willing to support such legislation; but I want it to be a general law, and not apply to any particular employees of the Government. If it is fair for one employee, it is fair for another. I still insist upon the point of order.

Mr. JONES of Washington. I ask that it may go over.

Mr. SMOOT. I have no objection to its going over.

Mr. JONES of Washington. I have a question as to whether or not it is out of order, and I hope the Chair will see fit to submit it to the Senate when it comes up.

The PRESIDING OFFICER. The amendment goes over with the point of order pending. The Secretary will state the next amendment of the committee.

The ASSISTANT SECRETARY. The committee also recommends, on page 19, after line 15, to insert a new section, as follows:

SEC. 11. Specifications for work authorized in this or previous or subsequent river and harbor appropriation acts may be printed locally, in the discretion of the Chief of Engineers, anything in the law to the contrary notwithstanding.

Mr. SMOOT. I make a point of order that that is general legislation upon an appropriation bill and changes existing law.

Mr. JONES of Washington. The Senator from Utah has spoken to me with reference to that provision. The sole purpose of the committee in putting that provision in was in the interest of economy. Col. Taylor told the committee that the present practice or method resulted in not only a great deal of delay but also in considerable expense. The committee took his word for it. The chairman of the committee, at any rate, knows very little about these printing regulations. The Senator from Utah has assured me that it is in fact cheaper to have it done under the Joint Committee on Printing. That committee, as I recollect, has already issued an order under which the Engineer Department can have these things printed at their district offices—for instance, at the district office on the Pacific coast—so as to cause little delay, and the Senator from Utah calls my attention to a copy of the order. If that is the case, I am perfectly willing to withdraw the amendment, or rather ask that it be rejected independently of the point of order.

Mr. SMOOT. I do not care how it goes out of the bill.

Mr. JONES of Washington. Still the purpose of the amendment was economy and efficiency and quick service.

Mr. SMOOT. I want to say in answer to Col. Taylor that there are certain forms and publications that have been printed in private printing shops in different parts of the country for the Government. When the Government Printing Office is asked to bid upon them they have to set up all the type, they have to get the form in shape, and they have all the expense attached to the first order, whereas the private printing company already has the form set up, and perhaps there are not more than two words to change in the form, and all of that original expense is not taken into consideration by them, and therefore they can, in the particular order, do it more cheaply, perhaps, than the Government Printing Office can. But after the Government Printing Office gets a form set up and in the same position as those private printing offices throughout the United States, then the testimony shows that their bids run from 2 per cent to 400 per cent less than the outside bids.

I will assure the Senate that the Joint Committee on Printing had no other idea, and never will have, than to save money for the Government of the United States. When it can not be saved at the Government Printing Office, as in the case of the printing of facing slips by the million for the Post Office Department, the committee readily issues an order to the Postmaster General or to any other department whereby they could be printed in different parts of the country.

When this very matter was up before the Joint Committee on Printing—for it has been there—the question arose then as to the question of time; but we found that the great bulk of such printing was done in Baltimore; and I could not see how time was saved by having a letter come from San Francisco to Baltimore or having it come from San Francisco to Washington.

Mr. JONES of Washington. I should like to ask the Senator this: This relates only to specifications, as I recollect it.

Mr. SMOOT. Yes.

Mr. JONES of Washington. The specifications for one project will be entirely different, probably, from the specifications for another project. They are not general blanks.

Mr. SMOOT. The general terms are the same, but particular items and locality are different. If the Senator has seen them, he will know that a large part of the specifications are similar.

Mr. JONES of Washington. As I said a while ago, the action of the committee was based entirely upon a matter of economy. We took the statements of Col. Taylor with reference to their procedure and what they had to do.

I recognize the fact that the Senator from Utah is more familiar, as I said, with printing matters than any other Senator and probably than almost anyone else in the country, and I am willing to take his judgment on matters of that kind, just as I am willing to take the judgment of the engineers upon matters within their line of work or within their province. So I am perfectly willing for the Senate to reject the amendment, and I ask that it be done that way instead of on the point of order.

The PRESIDING OFFICER. Does the Senator from Utah withdraw his point of order?

Mr. SMOOT. Yes, with that understanding.

The PRESIDING OFFICER. The question is on the amendment proposed by the committee.

The amendment was rejected.

The next amendment of the Committee on Commerce was, on page 19, after line 20, to insert:

SEC. 12. That the agreement entered into by the Secretary of War on behalf of the United States with the Groton Iron Works, a corporation organized and existing under the laws of the State of Maine, and others, on the 1st day of December, 1917, and recorded in deed book 66, page 381, of the land records of Alexandria, Va., granting to said Groton Iron Works, its successors or assigns, an option to purchase 46.57 acres, more or less, of land located below high-water mark, and made in the course of river improvement upon the submerged soil of the Potomac River in what is known as Battery Cove, on the western bank of the Potomac River, in or near the city of Alexandria, Va., "subject to the approval of the Congress of the United States, and upon the express condition precedent that authority to that effect be first conferred upon him by statute," for the sum of \$70,000, and which said agreement was by said Groton Iron Works assigned to the Virginia Shipbuilding Corporation, a corporation organized and existing under the laws of the State of Virginia by an indenture dated April 15, 1918, and recorded in deed book 67, at page 515 of the said land records of Alexandria, Va., be, and the same is hereby, ratified and approved; and whenever title to the whole of said reclaimed area, comprising 46.57 acres, shall be vested and confirmed in the United States either by final judgment in the action of ejectment now pending in the courts of the District of Columbia, entitled The United States of America, plaintiff, against Marine Railway & Coal Co. (Inc.), a corporation, defendant at law, being case No. 54872 on the docket of the Supreme Court of the District of Columbia, or by concession of the party or parties now claiming title adverse to the United States, the Secretary of War shall, on behalf of the United States, execute, acknowledge, and deliver to the Groton Iron Works, its successors or assigns, a deed in fee simple to the said tract of land known as Battery Cove, being the whole of said reclaimed area, comprising 46.57 acres, which adjoins the upland and is claimed by the Marine Railway & Coal Co. (Inc.), Michael B. Harlow, and the estate of Park Agnew, deceased, the estate of Cecelia L. Carne, the Southern Railway Co., and their grantees, for the sum of \$70,000 therefor, which sum shall be credited to the proper fund as provided under existing law.

Mr. JONES of Washington. I think before it is read I should say a word with reference to the amendment inserting section 12. This amendment was not really submitted to the committee. I intended to submit it to the committee and had it prepared and had the report from the department and expected to do it, but we were rushed and we came to a conclusion upon another amendment, I think, just when the bells rang for a roll call in the Senate. The committee authorized me to put in an amendment with reference to surveys, and so forth, and this amendment was inserted.

I feel that I ought to say that strictly it is not really a committee amendment. With that statement, if any member of the committee should prefer that it be not treated as a committee amendment, I will withdraw it, but I thought I ought to make that statement in fairness to them and to the Senate.

I will say that I have a letter from the Secretary of War giving all the facts with reference to the amendment and giving all the facts that I have in regard to it. He recommends it very strongly. He made this contract, I think, about the time we got into the war and in the hope of hastening shipbuilding construction. It is for the purpose of carrying out contracts actually made and entered into by the Secretary of War, of course subject to approval by Congress, and I present it in that way.

Mr. RANDELL. I should like to ask the chairman to give a very brief explanation of it.

Mr. JONES of Washington. I can not do it better than by reading the letter from the Secretary of War:

WAR DEPARTMENT,
Washington, April 7, 1920.

HON. W. L. JONES,

Chairman Committee on Commerce,
United States Senate.

MY DEAR SENATOR: I have the honor to reply to your letter of the 6th instant, inclosing for my consideration a copy of an amendment intended to be proposed by Senator SWANSON to the pending river and harbor appropriation bill (H. R. 11892). The purpose of the proposed amendment is to sanction an agreement made by me for the sale of a tract of reclaimed land in the Potomac River and to authorize the sale of the said land in accordance with the terms of the agreement. *

The pertinent facts are as follows:

The river and harbor act of June 23, 1910, made provision for the improvement of Potomac River at Alexandria, Va., and in the prosecution of this work it became necessary to select a place for the convenient deposit of the material dredged from the channel. It was decided to use for this purpose a certain submerged area known as "Battery Cove," a shallow indentation in the shore line of the river just below Alexandria. A riprap wall was built along the river edge of the cove and dredged material was deposited behind the wall and between it and high-water mark on the Virginia shore, thus converting into fast land an area of approximately 46.57 acres. The surface was built up to about the line of ordinary high water, and being the proprietor of the bed and banks of the Potomac River within the District of Columbia through cession of the State of Maryland, the Government claimed ownership of the filled-in area. This claim was disputed by the owners of the adjacent upland, who asserted ownership and possession; but as a result of negotiations an agreement was reached to let the question of title remain in abeyance until judicially decided. Thereupon the United States brought an action in ejectment in the Supreme Court of the District of Columbia against one of the upland owners to recover a part of the land, and the final judgment in that action will settle the disputed question of title to the whole of the reclaimed area.

In November, 1917, the Groton Iron Works, a corporation having a contract with the United States Emergency Fleet Corporation for building vessels in Alexandria for Government use, submitted to the department an offer to purchase this land, with a view to its improvement and utilization as a site for a shipbuilding plant. As immediate possession was desired, and under existing conditions a sale could not be effected, it was also requested that a temporary lease be given. In considering the proposition the department, after carefully estimating the value of the property, decided that \$1,500 per acre was a fair and reasonable price, if disposed of in its entirety, and that 6 per cent on this valuation would be a fair annual rental charge.

It was well understood that the Secretary of War could not lease the property, as it was not in the possession of the Government, and that, if in its possession, he could not sell it without the authorization of Congress. Consideration of all the facts and elements in the case resulted in a formal agreement being entered into December 1, 1917, between the Secretary of War and the several parties in interest embodying the following terms:

1. That the persons in possession of the property and claiming title thereto adverse to the United States might lease it to the Groton Iron Works for a period not exceeding five years at an annual rental of \$4,200.

2. That the lease shall be subject to the action in ejectment pending in the Supreme Court of the District of Columbia and to any right of title and possession which may be affirmed in the United States by said action.

3. That the rent accruing under the lease shall be deposited in an approved depository for safe keeping until the action in ejectment is decided, and then paid to the United States if successful, otherwise to the lessors.

4. That, subject to the approval of Congress, and upon the express condition precedent that authority to that effect be first conferred on the Secretary of War by statutes, the Groton Iron Works shall have the option to purchase the property for the sum of \$70,000 in case the title of the United States shall be established or conceded.

In pursuance of this agreement the owners of the adjacent upland who were in possession of the disputed area made a lease by virtue of which the Groton Iron Works entered into possession and constructed its plant. The proposed amendment, if adopted by Congress, will authorize the Secretary of War to consummate the agreement to sell the property, and I recommend its favorable consideration.

Very respectfully,

NEWTON D. BAKER,
Secretary of War.

There are the facts with reference to the amendment. It seemed to me that it presented a case where we could very properly and should very properly give our consent to it. I overlooked calling it up in the committee. It was printed by mistake as a committee amendment. If any Senator thinks we ought not to consider it as a committee amendment, I will gladly withdraw it. Those are the facts, and if no Senator makes any objection it can properly be considered at this time.

Mr. POMERENE. May I ask what is to be gained by having this matter disposed of at the present time and on the pending bill?

Mr. JONES of Washington. I do not know that there is anything special to be gained. It has been nearly three years since the option was given. I do not know of anything special to be gained, except I suppose the people who have built their shipbuilding plant on the property would like to have assurance, if the title is to be held by the courts to be vested in the United States, that the title will be passed on. But I do not see any special loss or advantage.

Mr. POMERENE. How can we by legislative act confirm that title so long as it is in the courts?

Mr. JONES of Washington. It is expressly understood, of course, that the title does depend upon the decision of the courts. If the Senator thinks the amendment should be omitted, I will gladly withdraw it under the circumstances.

Mr. POMERENE. I see nothing to be gained by it. It seems to me it is a question that is to be disposed of by the courts, and we can not by any legislative act deprive the riparian owner of rights to which he is entitled.

Mr. JONES of Washington. If the Senator will permit me, the only thing I see is that if the supreme court should decide that the land belongs to the United States, the title can not pass until legislation of this character is enacted; and, of course, they would have to come in and wait until we could get the legislation considered. Of course this does not pretend to divest anyone of his rights, except if the court should hold that it is land of the United States, then it authorizes the Secretary of War to make the transfer that he agreed to make.

Mr. POMERENE. The entire legislation is based upon the game of "if." I think I shall object to it.

Mr. JONES of Washington. I feel under the circumstances that I should withdraw the amendment.

Mr. SWANSON. Mr. President, it seems to me it is only a question of good faith of the Government in an emergency of war. These people in Alexandria went to great expense to put up this great plant on the property under an agreement made by the Secretary of War on the part of the Government so far as the Government was concerned. It is a very doubtful question whether the Government can obtain riparian rights. So far as the Government is concerned, it said, "If you will put your plant there when it is necessary for the prosecution of the war, we will agree to recommend to Congress that you shall be given an option to purchase the land." I think the amount involved was \$70,000.

It seems to me that for the Government to repudiate the contract which was made in an emergency by the Secretary of War, after hundreds of thousands of dollars have been expended in buildings, on the assumption that Congress would carry out the promise made by the Secretary of War, would be very harsh on these people. There is involved simply a question of good faith.

It is a litigated question. It was very urgent that the ships should be built and they could not be built without the construction of the plant on this land. So the Government said, "If you will build the plant on this land and go ahead with the construction of the ships, we are satisfied Congress will consent to our agreement, but we can not say it will do so." It was agreed that if the Government should win the suit and obtain title to the 46 acres of land, the shipbuilding company would be allowed to have it for \$70,000 and take the chances with the riparian owners. Suppose the Government should win the suit and obtain title to the land, do you think it would be honorable for the Government to require them under this agreement, when they have put a million dollars' worth of buildings on this land, to pay a hundred thousand dollars? They are at the mercy of the Government.

Mr. POMERENE. Mr. President, I shall be ready to pass upon that question when it arises. I suspect the riparian owners claim title to this made land.

Mr. SWANSON. This does not interfere with the riparian owners.

Mr. POMERENE. I object to the amendment at the present time.

Mr. JONES of Washington. I withdraw the amendment. I think I have the right to do that, for it really is not a formal committee amendment. Then, of course, later the Senator from Virginia can offer the amendment in connection with the bill, if he desires to do so.

The PRESIDING OFFICER. If there is no objection, the amendment is withdrawn.

Mr. HARRISON. Mr. President, has the Senator from Washington more committee amendments to present?

Mr. JONES of Washington. I have another committee amendment which I desire to offer, on page 3, line 24. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The ASSISTANT SECRETARY. On page 3, after line 24, it is proposed to insert:

Camden Harbor, Me.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. JONES of Washington. On page 10 there is a provision embraced in lines 10 and 11 which really belongs on page 4. I do not desire to change the language, but simply desire to transpose it to where it properly belongs. I send an amendment to the desk to that effect.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The ASSISTANT SECRETARY. It is proposed to transfer to page 4, between lines 7 and 8, the item found on page 10, which is embraced in lines 10 and 11, as follows:

Twelve-foot channel from Peconic Bay to Jamaica Bay, N. Y.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

Mr. JONES of Washington. On page 7, after line 17, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The ASSISTANT SECRETARY. On page 7, after line 17, it is proposed to insert:

Gulfport Harbor and Ship Island Pass, Miss.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. JONES of Washington. Mr. President, those are all the committee amendments, except the amendments which have been passed over.

Mr. HARRISON. Mr. President, I desire to offer an amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Mississippi will be stated.

Mr. JONES of Washington. Mr. President, the amendment proposed by the Senator from Mississippi properly, under the unanimous-consent agreement, can not be taken up until the other committee amendments shall have been disposed of.

Mr. HARRISON. I understood that all committee amendments had been disposed of.

Mr. JONES of Washington. There were some committee amendments which were passed over.

Mr. HARRISON. Some committee amendments have been passed over; but I understood the agreement was that any committee amendments which would cause discussion or require a roll call would not be taken up.

Mr. JONES of Washington. That they would not be taken up to-day.

Mr. HARRISON. This is not a committee amendment.

Mr. JONES of Washington. Under the unanimous-consent agreement reached when I asked for the consideration of the bill, the Senator would really have to wait until we dispose of the committee amendments.

Mr. HARRISON. I will wait. I thought all the other matters had gone over.

Mr. JONES of Washington. I think some Senators would prefer that the course as originally agreed upon should be followed, though I myself would have no objection to the Senator from Mississippi offering his amendment at this time.

Mr. HARRISON. Very well.

Mr. JONES of Washington. That disposes of the committee amendments, and we shall not proceed further with the bill to-night.

Mr. POMERENE. Mr. President, I desire to inquire of the Senator from Washington what has been done with section 6 of the pending bill, the section relating to throwing of acids, and so forth, into any navigable water?

Mr. JONES of Washington. That section has been passed over.

Mr. POMERENE. I simply want to suggest a question to the chairman of the committee. The language reads, in part, thus:

SEC. 6. That, within areas to be prescribed by the Secretary of War, it shall not be lawful to throw, discharge, or deposit, or cause, suffer, or procure to be thrown, discharged, or deposited from any source whatever, any free acid or acid waste, or oil, in any form, either directly or indirectly, into any navigable water.

Let us assume, for the sake of the argument, that a steel plant is on a small nonnavigable creek which flows into a navigable stream, would such a stream be included under the language of the section?

Mr. JONES of Washington. I am inclined to think that, probably, it would, although I have not thought about any case of that kind.

Mr. POMERENE. I am not entirely clear about it; but it must be borne in mind that this is a criminal statute, and it would be strictly construed. I simply want to suggest to the Senator that I have some uncertainty about the point I have mentioned, and, as it is a criminal statute, it ought to be made perfectly clear as to what is the intention of Congress.

Mr. LODGE. If the Senator will allow me, I have not looked up the decisions, but I understand that the Supreme Court has held that in the case of a navigable stream the tributaries also are navigable.

Mr. POMERENE. There has been some holding to that effect; but I wanted this to be made perfectly clear, in view of the fact that it was a statute of a criminal character.

Mr. JONES of Washington. The Supreme Court has held that a stream is navigable if it can, in fact, be navigated in its ordinary and natural condition. I desire, however, to call the attention of the Senator to what is attempted to be met by the provision.

There is now a law, I understand, substantially the same as this, which applies only to the harbor of New York. It is a very important matter. The supervisor of the port of New York has been seeking additional appropriations in order to secure further assistance to take care of and enforce the law. Col. Taylor told us of one instance not very long ago where some one threw a cigarette, I think it was, over the side of a ship in the harbor close to one of the piers. It set fire to the oil that was on the surface of the water and burned up the pier and placed several ships in very great danger of destruction. The law at present applies apparently only to the harbor of New York. At Norfolk, Boston, Baltimore, and other ports there is a similar provision, which is attempted to be met by this provision. That is its purpose. I desired it to go over, because some Senators are rather concerned as to whether we should incorporate the word "willfully" in the section.

Mr. POMERENE. I rather assumed that one of the purposes of the section was to preserve the fish in the streams and rivers. I know that many of the States have statutes controlling that situation.

Mr. JONES of Washington. This amendment is really intended to apply to harbors?

Mr. POMERENE. I simply wanted to suggest the difficulty that was in my own mind for the consideration of the Senator.

Mr. JONES of Washington. We will carefully look into that phase of the matter.

Mr. EDGE. Mr. President, I did not intend to discuss, and will not do so at this time—because I have already discussed it with the chairman of the committee—the question of inserting the word "willfully" before the word "violate" in the section. I really think the section as it appears is rather broad. As I have advised the chairman of the committee, I do not want to make a point of order against it, for I think it has some merit, but I think that innocent violators of the provision should be protected in some way; and when the section is before the Senate I will discuss the matter a little further.

Mr. JONES of Washington. That phase of it will be very carefully considered. We do not want to work any hardships that can be avoided upon anyone.

ARMY REORGANIZATION.

Mr. NELSON. Mr. President, I submit the amendments which I send to the desk to the Army reorganization bill, being Senate bill 3792. The amendments are for the purpose of carrying out the views which I expressed in my remarks some three days ago, to wit, that instead of the proposed college training, even though it be voluntary, we shall have one-third of our Regular Army enlisted for one year and two-thirds for three years, to the end that the one-year men at the end of the year may be released from service and put into the reserves, their places to be taken by new men for the next year, and so on, until we secured an Army of a half million men, instead of the system provided in the Army reorganization bill. My amendments involve a good many changes in the pending bill, and I will ask to have the bill printed with the amendments in it which I have offered.

The PRESIDING OFFICER. Without objection, the amendments will be received, printed as requested, and lie on the table.

Mr. JONES of Washington. Mr. President, if there is nothing further, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate adjourned until Monday, April 19, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, April 17, 1920.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Out of the deeps we cry unto Thee, our Father in heaven, a very present help in trouble. We find ourselves with the rest of the world confronting grave and stupendous problems which affect seriously the individual and every home throughout the land.

Our prayer is that we may follow Thee in our relations with mankind through that subtle and mysterious quality we call conscience, which points the way to truth with the same accuracy as the needle points the mariner over the trackless sea; that we may move forward to larger life, liberty, and justice; under the spiritual leadership of Thy son Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. WOOD of Indiana. Mr. Speaker, I desire to call up the conference report on the legislative, executive, and judicial appropriation bill, H. R. 12610.

The SPEAKER. The gentleman from Indiana calls up the conference report on the legislative, executive, and judicial appropriation bill, which the Clerk will read.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12610) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 40, 42, 43, 56, 57, 58, 59, 60, 61, 67, 68, 76, 80, 84, 92, 93, 94, 95, 96, 97, 100, 102, 112, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 145, 154, 158, 159, 160, 167, 168, 174, and 185.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 45, 46, 47, 48, 49, 50, 51, 52, 54, 63, 64, 65, 66, 70, 71, 72, 73, 74, 75, 77, 82, 87, 88, 89, 90, 98, 99, 101, 103, 104, 105, 106, 107, 108, 109, 110, 111, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 141, 142, 143, 144, 146, 147, 148, 149, 150, 151, 152, 153, 155, 157, 161, 162, 163, 164, 165, 166, 169, 170, 171, 172, 173, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 186, 187, 188, and 189, and agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$24,060"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"The duty placed upon the Secretary of the Interior by section 4 of an act entitled 'An act to regulate and improve the civil service of the United States,' approved January 16, 1883, shall be performed on and after July 1, 1920, by the Civil Service Commission.

"For contingent and miscellaneous expenses of the Civil Service Commission, including furniture and other equipment and repairs thereto; supplies; telegraph and telephone service; freight and express charges; fuel, heat, light and power; window washing; street car fares not to exceed \$100; stationery; law books, books of reference, directories, newspapers, and periodicals, not to exceed \$350; charts; purchase, exchange, maintenance and repair of motor trucks, motor cycles and bicycles; maintenance and repair of electric conduit; postage stamps to prepay postage on matter addressed to postal-unions countries; and special-delivery stamps; in all, \$50,000.

"For rent of building for the Civil Service Commission, \$16,875."

And the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: Restore the

sum stricken out by said amendment and strike out lines 15 to 20, inclusive, on page 32 of the bill, and insert in lieu thereof the following: "For temporary employees in the Department of State, \$402,500: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum and not more than 8 persons shall be employed hereunder at a rate of compensation exceeding \$1,800 per annum except the following: Four at \$4,500 each, 3 at \$4,000 each, 10 at \$3,500 each, and 5 at \$2,500 each"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$30,060"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Section 3595 of the Revised Statutes of the United States, as amended, providing for the appointment of an Assistant Treasurer of the United States at Boston, New York, Philadelphia, Baltimore, New Orleans, St. Louis, San Francisco, Cincinnati, and Chicago, and all laws or parts of laws so far as they authorize the establishment or maintenance of offices of such assistant treasurers or of Subtreasuries of the United States are hereby repealed from and after July 1, 1921; and the Secretary of the Treasury is authorized and directed to discontinue from and after such date or at such earlier date or dates as he may deem advisable, such Subtreasuries and the exercise of all duties and functions by such assistant treasurers or their offices. The office of each assistant treasurer specified above and the services of any officers or other employees assigned to duty at his office shall terminate upon the discontinuance of the functions of that office by the Secretary of the Treasury.

"The Secretary of the Treasury is hereby authorized, in his discretion, to transfer any or all of the duties and functions performed or authorized to be performed by the assistant treasurers above enumerated, or their offices, to the Treasurer of the United States or the mints or assay offices of the United States, under such rules and regulations as he may prescribe, or to utilize any of the Federal reserve banks acting as depositories or fiscal agents of the United States, for the purpose of performing any or all of such duties and functions, notwithstanding the limitations of section 15 of the Federal reserve act, as amended, or any other provisions of law: *Provided*, That if any moneys or bullion, constituting part of the trust funds or other special funds heretofore required by law to be kept in Treasury offices, shall be deposited with any Federal reserve bank, then such moneys or bullion shall by such bank be kept separate and distinct from the assets, funds, and securities of the Federal reserve bank and be held in the joint custody of the Federal reserve agent and the Federal reserve bank: *Provided further*, That nothing in this section shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositories as heretofore authorized by law.

"The Secretary of the Treasury is hereby authorized to assign any or all the rooms, vaults, equipment, and safes or space in the buildings used by the Subtreasuries to any Federal reserve bank acting as fiscal agent of the United States.

"All employees in the Subtreasuries in the classified civil service of the United States, who may so desire, shall be eligible for transfer to classified civil-service positions under the control of the Treasury Department, or if their services are not required in such department they may be transferred to fill vacancies in any other executive department with the consent of such department. To the extent that such employees possess required qualifications, they shall be given preference over new appointments in the classified civil service under the control of the Treasury Department in the cities in which they are now employed."

And the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$3,000,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$3,000,000"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the

matter proposed by said amendment insert the following: "two at \$2,200 each, one at \$2,000"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$2,750"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert "\$852,790"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

On page 83 of the bill in line 23 strike out "\$68,290," and insert in lieu thereof "\$68,400"; and the Senate agree to the same.

Amendment numbered 156: That the House recede from its disagreement to the amendment of the Senate numbered 156, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert "\$171,000"; and the Senate agree to the same.

On amendment numbered 53 the committee of conference have been unable to agree.

WILL R. WOOD,
T. U. SISSON,
Managers on the part of the House.
F. E. WARREN,
REED SMOOT,
L. S. OVERMAN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12610) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of said amendments, namely:

On Nos. 1 to 35, inclusive, relating to the Senate: Appropriates for the compensation of employees and expenses of the Senate in the manner and the amounts proposed by the Senate amendments.

On Nos. 36, 37, 38, and 39, relating to the Joint Committee on Printing: Increases the compensation of employees of the Joint Committee on Printing, as proposed by the Senate, as follows: Clerk from \$3,000 to \$4,000, inspector from \$2,000 to \$2,250, and a stenographer from \$1,000 to \$1,500.

On Nos. 40 to 52, inclusive, relating to the Library of Congress: Appropriates \$7,500 for the salary of the Librarian, as proposed by the House, instead of \$7,000, as proposed by the Senate; increases the compensation of the Assistant Librarian from \$4,000 to \$4,500, as proposed by the Senate; strikes out an assistant chief clerk at \$1,800 and a stenographer and typewriter to the chief assistant librarian at \$1,600; authorizes the employment of one person at a compensation not to exceed \$3,000 per annum in the legislative reference service; makes \$500 of the appropriation for "temporary services" immediately available; makes \$625 of the appropriation for "Sunday opening" immediately available; increases the amount for the purchase of books and other additions to the library from \$80,000 to \$90,000; increases the amount for contingent expenses from \$8,500 to \$9,000; and provides an additional telephone switchboard operator at \$720.

On No. 53, relating to the Bureau of Efficiency: The committee of conference have been unable to agree.

On Nos. 54 and 55, relating to the Civil Service Commission: Inserts the language, proposed by the Senate, permitting the detail of clerks or other employees to the Civil Service Commission from the executive departments in the District of Columbia for duty in the fourth civil-service district; inserts the language, stricken out by the Senate, placing the appropriations for contingent expenses and rent for the commission directly under its jurisdiction, and modifies the language of the appropriation for contingent expenses so that it will include the items of expenditure now permitted under the current appropriations for contingent expenses.

On Nos. 56 to 63, inclusive, relating to the State Department: Strikes out the change proposed in the designation of a "law clerk" and provides for the following additional employees on the temporary roll, as proposed by the House, instead of on the

statutory roll, as proposed by the Senate: Two drafting officers at \$4,500 each, 3 drafting officers at \$4,000 each, 5 drafting officers at \$3,500 each, 2 assistant solicitors at \$4,500 each, 5 assistant solicitors at \$3,500 each, 5 law clerks at \$2,500 each, and reduces the appropriation for miscellaneous expenses from \$20,000 to \$15,000.

On Nos. 64 and 65: Provides for a mechanical superintendent at \$2,250 in the office of the chief clerk of the Treasury Department.

On Nos. 66 to 70, inclusive, relating to the General Supply Committee: Provides an additional clerk of class 3 at \$1,600; strikes out the additional clerk at \$1,400 and the additional clerk at \$1,200, proposed by the Senate; and increases the sum for expenses of handling surplus material, supplies, and equipment from \$80,000 to \$100,000, as proposed by the Senate.

On Nos. 71 and 72: Reduces the appropriation for salaries in the Bureau of War Risk Insurance from \$9,000,000 to \$8,500,000, as proposed by the Senate.

On No. 73: Authorizes the use of not to exceed \$1,200,000 of the appropriation "Expenses of loans" for temporary employees in the office of the Register of the Treasury, as proposed by the Senate, instead of \$550,000 for that purpose, as proposed by the House.

On Nos. 74 and 75: Provides for a principal clerk at \$2,000 in the office of the Comptroller of Currency, as proposed by the Senate.

On No. 76: Restores the paragraph, stricken out by the Senate, prohibiting the detail of enlisted personnel of the Coast Guard for duty in the office of the Coast Guard in the District of Columbia.

On No. 77: Strikes out, as proposed by the Senate, the authority for the expenditure of \$4,020 for rent of a branch office in the District of Columbia for use of the collector of internal revenue for the district of Maryland.

On No. 78, relating to the Independent Treasury: Restores the language stricken out by the Senate abolishing the Subtreasuries, and so modified it as to make clear the manner in which the funds now required by law to be kept in the Treasury or in the Subtreasuries may be hereafter deposited or kept in the Federal reserve banks.

On Nos. 79 and 84, inclusive, relating to the appropriation for temporary employees in the War Department: Appropriates \$3,000,000 instead of \$2,500,000, as proposed by the House, and \$4,000,000, as proposed by the Senate; provides an allotment of \$1,850,000 for The Adjutant General's Office, as proposed by the House, instead of \$2,000,000 as proposed by the Senate; authorizes the employment from the appropriation of three additional employees—one at \$2,500, one at \$2,200, and one at \$2,000 in the office of the Secretary of War; and strikes out the authority for the employment of an additional employee at \$2,400, and one at \$2,000 in the office of the Surgeon General.

On Nos. 85 and 86: Appropriates for the pay of the chief clerk in The Adjutant General's office, at \$2,750, instead of \$2,500, as proposed by the House, and \$3,000 as proposed by the Senate; and increases the compensation of the chief clerk in the office of the Chief of Ordnance from \$2,250 to \$2,500, as proposed by the Senate.

On Nos. 89, 90, and 91, relating to public buildings and grounds: Provides an additional sergeant of the park police at \$1,580 in lieu of a private at \$1,360, and readjusts the proportion of the total appropriation to be paid from the revenues of the District of Columbia.

On Nos. 92 to 98, inclusive, relating to the State, War, and Navy Department buildings: Strikes out the appropriations for "sign writers" in the various office buildings and inserts the paragraph, proposed by the Senate, authorizing the removal of any of the temporary office buildings erected on private property if the consent of the owners can not be obtained to a continuance of the lease and the occupancy thereof by the United States.

On Nos. 99 and 100, relating to the appropriation for temporary employees in the office of the Secretary of the Navy: Authorizes the employment of an additional person at \$3,000, as proposed by the Senate, and strikes out the employment of two additional persons at \$2,000.

On No. 101: Authorizes the employment of an additional person, at \$3,000, from the appropriation for temporary employees in the office of the Solicitor for the Navy Department.

On No. 102: Strikes out the authority, proposed by the Senate, for the employment of one person, at \$4,000, from the appropriation, "Naval records of the war with the Central Powers of Europe."

On No. 103: Provides for two temporary employees, at \$3,000 each, in the office of the Judge Advocate General of the Navy.

On No. 104: Provides for two employees, at \$2,000 each, to be paid from the appropriation for temporary employees in the office of the Chief of Naval Operations.

On Nos. 105 to 108, inclusive, relating to the Naval Observatory: Provides for an additional astronomer, at \$3,200, and a chief clerk, at \$2,000, as proposed by the Senate, and reduces the appropriation for temporary employees from \$10,000 to \$5,000.

On Nos. 109, 110, and 111, relating to the Nautical Almanac Office: Provides for an assistant, at \$2,500, as proposed by the Senate, and reduces the appropriation for pay of computers on piecework from \$3,000 to \$1,500.

On No. 112, relating to the Bureau of Supplies and Accounts: Strikes out the authority proposed by the Senate for the employment of additional persons above the rate of \$1,800 per annum under the appropriation for temporary employees.

On Nos. 113 and 114: Provides for a clerk, at \$840, in the office of the Secretary of the Interior, as proposed by the Senate.

On Nos. 115 to 120, inclusive, relating to the Indian Office: Appropriates for additional employees in the Indian Office, as proposed by the Senate, as follows: Two clerks, at \$1,800 each; 6 clerks, at \$1,600 each; 2 clerks, at \$1,500 each; 8 clerks, at \$1,400 each; and 8 clerks, at \$1,200 each.

On Nos. 121 and 122: Provides for six additional clerks, at \$1,000 each, in the Patent Office, as proposed by the Senate.

On No. 123: Increases the appropriation for investigation of kindergarten education by the Bureau of Education from \$5,000 to \$6,000, as proposed by the Senate.

On Nos. 124 to 140, inclusive: Appropriates for the offices of surveyors general in Alaska and the various States in the amounts proposed by the House, instead of in the amounts proposed by the Senate. The total amount restored to the bill by the Senate's recessions on these items is \$4,920.

On Nos. 141 to 146, inclusive, relating to the Post Office Department: Appropriates \$4,500 for an additional assistant attorney, as proposed by the Senate; appropriates \$76,000, as proposed by the Senate, for the transfer to the statutory roll of certain clerical employees now paid from the appropriation for railroad transportation; strikes out the appropriation of \$2,000, proposed by the Senate, for painting and increases the appropriation for publication of the Postal Guide from \$40,000 to \$43,000, as proposed by the Senate.

On Nos. 147-153, inclusive, relating to the Department of Justice: Increases the compensations of the chief clerk from \$3,000 to \$3,500, the private secretary and assistant to the Attorney General from \$3,000 to \$3,600, the pardon attorney from \$3,000 to \$3,600, as proposed by the Senate; strikes out the appropriation of \$2,000 for an assistant chief clerk; increases the appropriation for official transportation from \$2,500 to \$3,000; and inserts the paragraph, proposed by the Senate, authorizing the Secretary of War to transfer to the Department of Justice a 1-ton motor truck.

On Nos. 154-157, inclusive, relating to the Bureau of Foreign and Domestic Commerce: Increases the compensation of clerks to commercial attachés from \$1,500 to \$2,000 each and strikes out the provision for two additional clerks to commercial attachés, at \$2,000 each; appropriates \$171,000, instead of \$165,000, as proposed by the House, and \$200,000, as proposed by the Senate, for the commercial attaché service; and increases from \$63,000 to \$75,000 the amount of the appropriation for "promotion of commerce" which may be expended for branch offices in the United States.

On Nos. 158, 159, and 160, relating to the Steamboat-Inspection Service: Strikes out the two assistant inspectors at \$1,100 each proposed for Mobile, Ala.

On Nos. 161-166, inclusive, relating to the Bureau of Navigation in the Department of Commerce: Provides for shipping commissioners at Bath, Me., at \$1,000; Rockland, Me., \$1,200; Charleston, S. C., \$1,200; and increases the compensation of the commissioner at Galveston from \$1,500 to \$1,800 and the commissioner at San Francisco from \$3,000 to \$4,000; and increases the appropriation for operation of vessels in the enforcement of navigation laws from \$60,000 to \$75,400, as proposed by the Senate.

On Nos. 167 and 168: Strikes out the appropriation of \$2,000, inserted by the Senate, for an expert optician in the Bureau of Standards.

On Nos. 169, 170, and 171: Provides, as proposed by the Senate, for the expenditure of \$6,000 for stationery for the commercial attaché service in the Bureau of Foreign and Domestic Commerce.

On Nos. 172, 173, and 174, relating to the Department of Labor: Provides for a carpenter, at \$1,200, in the office of the Secretary of Labor, as proposed by the Senate, and appropriates \$100,000,

as proposed by the House, instead of \$150,000, as proposed by the Senate, for commissioners of conciliation in labor disputes.

On Nos. 175 and 176: Provides, as proposed by the Senate, for nine law clerks, one for the chief justice and one for each associate justice of the Supreme Court, at not exceeding \$3,600 each.

On Nos. 177 and 178: Increases the compensation of nine clerks of United States circuit courts of appeals from \$3,500 to \$4,500 each.

On No. 179: Inserts the paragraph, proposed by the Senate, making the total appropriation for compensation of district judges available for the salaries of all district judges who may lawfully be entitled to compensation during the fiscal year 1921.

On Nos. 180, 181, and 182, relating to the Court of Appeals of the District of Columbia: Increases the compensation of the chief justice from \$8,500 to \$9,000 and the compensation of the clerk from \$3,500 to \$4,500.

On Nos. 183 and 184: Increases the compensation of the chief justice of the Supreme Court of the District of Columbia from \$7,500 to \$8,000.

On Nos. 185 and 186, concerning the paragraph relating to the purchase of typewriting machines: Strikes out the language, proposed by the Senate, prohibiting the purchase of a machine through exchange if it is of a different make than the machine given in exchange, and inserts the language, proposed by the Senate, prohibiting the sale or exchange of any typewriting machines that have been used less than three years.

On No. 187: Inserts the paragraph, proposed by the Senate, granting increased compensation at the rate of \$240 per annum to certain civilian employees of the Government of the United States and the District of Columbia during the fiscal year 1921. The section inserted by the Senate is in the exact terms of a similar section of the bill as it was reported to the House.

On No. 188: Corrects a section number in the bill.

On No. 189: Inserts the section, proposed by the Senate, extending the jurisdiction of the Joint Committee on Printing to mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter.

WILL R. WOOD,
T. U. Sisson,

Managers on the part of the House.

Mr. WOOD of Indiana. Mr. Speaker, I desire to make a brief statement showing the net results of the conference, the report upon which has just been read.

The amount of this bill as it originally passed the House was \$104,368,671.11.

The amount of the bill as it passed the Senate was \$105,761,081.11.

The net increase added by the Senate was \$1,392,410.

The Senate receded as to items amounting in the net to \$1,025,355.

The House receded as to items amounting in the net to \$367,055.

The amount of the bill as agreed upon in conference is \$104,735,726.11.

The amount of the legislative, executive, and judicial appropriation bill for 1920 was \$127,165,683.63.

This bill as agreed upon is less than the appropriations for 1920 by \$22,429,957.52.

The amount of the estimates for this bill for 1921 was \$122,453,685.52.

The bill as finally agreed upon is less than the amount of the estimates by \$17,717,959.41.

I wish to say that I feel indebted to, and I know that the Members of the House, all of whom appreciate his high-grade service, will be pleased that I shall make public acknowledgment of the splendid service rendered on this conference committee by my coconferee, the gentleman from Mississippi [Mr. Sisson]. [Applause.] By reason of his long experience upon conference committees, by reason of his thorough knowledge of the appropriations as they are considered by the committee and as they pass the House, he has become peculiarly competent to render service of the most valuable character. From first to last, in the committee room, in the House, and in the conference, he has been actuated by but one purpose and one desire, and that to serve his country well through conscientious endeavor to save the taxpayers some money in this appropriation bill. I therefore feel that this public acknowledgment is due to him, and I am more than pleased to make it. [Applause.]

The important changes made in this bill are very few in number. One of them is with reference to the lump-sum appropriation made for clerk hire in the War Department. The bill as it passed the House carried an appropriation of \$2,500,000.

The Senate restored the amount of the estimates, \$4,000,000. In conference the Senate receded to the amount of \$1,000,000, and the House receded to the amount of \$500,000, making the total appropriation as finally agreed upon \$3,000,000, \$1,850,000 of which was allotted to The Adjutant General's office for the purpose of getting out the lists and records of ex-service men for the adjutant generals throughout the United States, and for the purpose of aiding The Adjutant General's office to furnish the information required from that office to the finance section of the War Department, the War Risk Bureau, and others who have to do with making final settlement of the claims of ex-service men.

Another item was that abolishing the Subtreasuries. That item carried in the House bill was stricken out by the Senate and restored in conference, so that as the bill now stands the Subtreasuries of the United States will be abolished at the end of a year.

Mr. MILLER. Will the gentleman yield for a short question?

Mr. WOOD of Indiana. Yes.

Mr. MILLER. In that connection I should like the gentleman to explain just how the abolition of those offices affects the mints and assay offices in the United States?

Mr. GOOD. Not at all.

Mr. WOOD of Indiana. It does not affect them at all?

Mr. MILLER. I ask my question because of the phraseology in the second paragraph on page 3 of the report.

Mr. WOOD of Indiana. The only way in which they might possibly be affected is that the language abolishing the Subtreasuries provides that the United States Treasurer may use the vaults of the mints for the storage of bullion.

Mr. MILLER. There is nothing in the bill affecting the running of those institutions?

Mr. WOOD of Indiana. Not at all as far as their operation is concerned.

Mr. DYER. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Missouri.

Mr. DYER. The saving to the Government by the abolishing of the Subtreasuries will amount to about \$500,000 a year.

Mr. WOOD of Indiana. Yes; a little over half a million dollars a year.

Mr. DYER. Can the gentleman state why it was that the date fixed was July 1, 1921, instead of July 1, 1920?

Mr. WOOD of Indiana. The Committee on Appropriations and the conference committee were of the opinion that possibly the time fixed here would be required, for the Secretary of the Treasury must make provision for taking over the various activities or whatever is left of these Subtreasuries, and it was done in order to meet the convenience of the Treasurer's office.

Mr. DYER. You thought all that time would be necessary, up until July 1, 1921?

Mr. WOOD of Indiana. Yes; but they may be abolished before that time. They must be abolished within that time. Some of them will no doubt be abolished before the end of that time. It will be easier to get rid of some of them than others.

Mr. DYER. Who has that discretion?

Mr. WOOD of Indiana. The Secretary of the Treasury.

Mr. DYER. He has the authority to do that?

Mr. WOOD of Indiana. Yes; and in addition to the saving of \$500,000 to which the gentleman refers, the estimate of the Secretary of the Treasury is that there will be a saving to the United States Government of more than \$2,000,000 a year in interest.

Mr. DYER. I think this is one of the greatest accomplishments of the present Committee on Appropriations, and I want to congratulate them that they have finally overcome the partisan desire to keep a lot of fellows in public office purely for politics, and that we now at least are getting down to some evidence of a desire of the Congress to have its way on behalf of the people and save them a lot of money that has been spent on these Subtreasuries in the last six or seven years, or since the Federal Reserve System was established, uselessly and, in my judgment, purely to keep people in public office for partisan reasons.

Mr. WOOD of Indiana. I thank the gentleman for the commendation, not only for myself but on behalf of the Appropriation Committee and the conferees, because we have received much commendation, and this will tend to offset much of it. [Laughter.]

Mr. LONGWORTH. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LONGWORTH. Under the conference report is the appropriation continued for Subtreasuries during the fiscal year of 1921?

Mr. WOOD of Indiana. Yes.

Mr. LONGWORTH. And thereafter they are abolished.

Mr. WOOD of Indiana. Yes.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. CLARK of Missouri. What is the net increase in this conference report over the bill as it left the House?

Mr. WOOD of Indiana. Three hundred and sixty-seven thousand and fifty-five dollars.

Mr. CLARK of Missouri. I think the conferees have done very well to come out of it with that. [Applause.]

Mr. WALSH. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. WALSH. Will the gentleman state what consideration apparently overwhelmed the House conferees resulting in the increase of the salary of the Chief Justice of the Court of Appeals and the Supreme Court of the District of Columbia?

Mr. WOOD of Indiana. I do not know that we were entirely overwhelmed, but we yielded to the amendment made by the Senate increasing the salary of the chief justice by reason of the fact that he is the chief justice and is entitled to a little more compensation in recognition of his exalted station in comparison with the associate judges.

Mr. WALSH. If the gentleman will permit, that is the method taken to increase salaries all along the line. It is something like the increase in the cost of living and increase in wages, one follows the other. The proper place for the increase of salaries of justices, as the gentleman will recognize, is within the jurisdiction of another committee. I am not criticizing the House conferees or the House committee. I think they have done a splendid work on this particular bill and are entitled to a great deal of commendation. But I wish to point out to the gentleman that there is a great movement organized apparently on foot trying to secure an increase of the salary of judges within the District of Columbia, and not only that, but to get more judges. I trust the gentleman will have that in mind when the next bill comes up before his committee.

Now, I want to ask the gentleman a further question, and that is in reference to the amendment shifting the Bureau of Efficiency. Did the House conferees have any proposition to make in reference to it?

Mr. WOOD of Indiana. I will state that the House conferees did not spend a great amount of time in the consideration of the Senate amendment for the reason that the House conferees announced to the Senate conferees immediately that we were instructed to report this item back to the House for consideration.

There was this consideration, however, with reference to that portion of the Senate amendment which provides the manner in which the Director of the Bureau of Efficiency may be removed. It was agreed that in the event that this item stayed in the bill an amendment should be had that the same authority that appoints the head of the bureau, the Speaker of the House and the President of the Senate, should have the power to remove him.

Further than that there was no considerable consideration of the amendment, except that the conferees, I think, were unanimous in the opinion that the Bureau of Efficiency should report in some way or other to the Congress of the United States; that as long as it continued to operate as it does now it could not be the Bureau of Efficiency that it was the intention of Congress it should be, because of the opposition it received in every executive department of this Government with two or three exceptions.

Mr. WALSH. The gentleman intends to make no recommendation with reference to it?

Mr. WOOD of Indiana. No; we brought it back for the deliberation of the House, as we agreed to in the outset. There is another item I wish to call the attention of the House to of some importance. The House appropriated \$9,000,000 for the clerical hire in the War Risk Bureau. The Senate reduced that to \$8,500,000, making a reduction of \$500,000. The House conferees acceded to that amendment on the belief that the clerical force can be reduced within the year so that those who wish to work can have plenty of opportunity to work, and I am confident they can be fully compensated by the sum allotted.

Mr. WALSH. Will the gentleman permit another question?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. With reference to the bonus provision, does that include the clerks in the War Risk Bureau?

Mr. WOOD of Indiana. It does not, except to the extent of \$120. The bonus provision as it now appears in the bill is the exact provision that appeared in the House bill which went out on a point of order. The Senate made no amendment to it and no amendment was made to it in conference for that

reason. Under the bonus provision those who are now employed in the War Risk Bureau receive \$120. It will be recalled that it was fixed at that amount as compared with \$240 for clerks doing like service in other branches of the Government a year ago. That was for the reason that under the classification adopted for the employees of the War Risk Bureau they were receiving more pay proportionately than those doing like work in other departments.

After consideration of this item and the passage of this bill in the House we were informed by the Bureau of War Risk Insurance that it was the intention of the War Risk Bureau for the next fiscal year to reduce the classification, so that they would operate on the same basis as the clerks in other departments now operate. But whether that classification has been completed seems not to be entirely clear, and under the operation of the War Risk Bureau their present classification may be continued as it is now, without reduction; and if so, the employees in the War Risk Bureau will get substantially the same increase that the other clerks now get by reason of the fact that their basic pay is larger than that of clerks in other departments doing similar service.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GREEN of Iowa. What is the word used in the bill? You do not use the word "bonus."

Mr. WOOD of Indiana. "Increased compensation."

Mr. GREEN of Iowa. It is in fact a temporary increase of salary.

Mr. WOOD of Indiana. It is an additional compensation.

Mr. GREEN of Iowa. But only temporary in character.

Mr. WOOD of Indiana. That is all.

Mr. GREEN of Iowa. The reason I asked is that we often hear of the Federal clerks having been given a bonus similar to something now asked by the soldiers. In the hearings before the Ways and Means Committee various witnesses referred to the fact that the employees had been given a "bonus," but as a matter of fact they were given a temporary increase of salary. Is not that correct?

Mr. WOOD of Indiana. That is correct.

Mr. GARD. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I yield.

Mr. GARD. In taking up the matter of the bonus and other matters in connection with compensation to employees, did the committee take into consideration the report of the Commission on Reclassification of Salaries that has been filed in this House?

Mr. WOOD of Indiana. The House bill was made up and this bonus provision inserted and the bill was passed by the House before the report of the Reclassification Commission was submitted.

Mr. GARD. I know that; but it was submitted after the bill passed the House and before the bonus was added to it in the Senate.

Mr. WOOD of Indiana. That is correct, and I would state that the conferees did not take into consideration the reclassification report.

Mr. GARD. They gave it no consideration whatever?

Mr. WOOD of Indiana. They did not. We had no jurisdiction over it, and in consequence our considering it would have produced no possible result.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DYER. Does this increase of pay for employees of the Federal Government include the employees of the Federal Board for Vocational Education?

Mr. WOOD of Indiana. It does not.

Mr. DYER. Will the gentleman state why they have been left out, as usual?

Mr. WOOD of Indiana. They were left out originally under the limitation in respect to those institutions that were established after a certain date—January 1, 1916—and because of the fact that they receive lump-sum appropriations, and the heads of the department graduate their salaries; also because, in fact, they are paid higher salaries than are the clerks operating under the salaries fixed by the statute in the old established departments. The committee left the matter exactly as it was. It became an original Senate provision by reason of its going out of the House bill on a point of order.

Mr. DYER. I have examined the salaries of the employees of the Federal Board for Vocational Education in comparison with the pay of the employees in other departments to which this increase is granted, and to all intents the pay is substantially the same, with the exception that the other employees get an increase in the way of this \$240 extra compensation. It is not fair to the employees of the board that they should be left out.

Mr. WOOD of Indiana. That is a matter that the heads of that department will have to solve for themselves. Their appropriation is a lump-sum appropriation, and they fix their own salaries, as I am informed.

Mr. DYER. Does the gentleman recall whether or not they asked to be included?

Mr. WOOD of Indiana. Yes. No one appeared for them before the House committee, and no one appeared for them before the Senate committee, but certain members of the committee received letters from them, and after the Senate had passed the bill some representatives of the Vocational Education Board came to see some members of the committee. It was absolutely impossible for us to give them any relief in conference, because of the fact that the conference committee can not raise the amount of the appropriation or increase the salaries of those who are benefited by it.

Mr. DYER. I suppose the gentleman feels as we all hope, that before the next appropriation bill for the next fiscal year, following the one under consideration now, the salaries of the various employees will be adjusted under the advice of this great Reclassification Commission.

Mr. WOOD of Indiana. I do not know whether it will be done as a result of the work of that commission or not, but there is no doubt of the necessity for a reclassification and a refixing of the salaries.

Mr. DYER. The gentleman thinks that will be done within the next fiscal year?

Mr. WOOD of Indiana. I hope it will, because of the patchwork by which the classification and fixing of salaries has been built up here. It is absolutely inconsistent. You find in many departments where there are variations of three or four hundred dollars in the pay of clerks who are doing exactly the same thing.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. GREEN of Iowa. Do I understand the gentleman to say that the heads of the department just referred to receive a lump-sum appropriation and fix the salaries themselves?

Mr. WOOD of Indiana. That is my understanding. That is true with reference to the War Risk Bureau. The original bonus provision carried \$120 for the war-risk people as against \$240 for like employees in the other departments.

Mr. GREEN of Iowa. Under those circumstances I do not see how the committee of conference could have done anything else than it did do.

Mr. WOOD of Indiana. It could not do anything else.

Mr. GREEN of Iowa. As long as that system prevails whereby they fix the salaries.

Mr. WOOD of Indiana. In fairness to those who are in charge of the Vocational Education Board and the War Risk Bureau, I would suggest that they might save considerable trouble to themselves and avoid complaint about the disparity of pay by putting their employees under the same classification as the employees of the other departments, so that they would receive the same amount of bonus received by the clerks in other departments, and personally I regret that this could not be done.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. MILLER. I see that amendment No. 158, on page 138, provides two assistant inspectors of hulls and boilers to be assigned to Mobile at a salary of \$2,100 each. Was there any discussion in the conference regarding the equalization of these salaries of assistant inspectors of hulls and boilers on the Lakes and the Atlantic and the Pacific seaboard?

Mr. WOOD of Indiana. The item to which the gentleman has called my attention went out in conference, so that it does not appear in the bill. There was no discussion with reference to the equalization of these salaries. We could not equalize them in conference, and consequently any discussion that might have been had there would have been of no avail.

Mr. MILLER. The gentleman appreciates the inequalities in these salaries?

Mr. WOOD of Indiana. There is no doubt about that. That is only one of many inequalities in the pay of officers and servants of the United States Government.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. MONDELL. Mr. Speaker, I move that the House still further insist upon its disagreement to Senate amendment No. 53, relative to the Bureau of Efficiency.

The SPEAKER. The gentleman from Wyoming moves that the House insist upon its disagreement to Senate amendment No. 53.

Mr. MONDELL. Mr. Speaker, I am of the opinion that ultimately the activities and jurisdiction of the Bureau of Effi-

ciency should be in the control of the Congress, and ultimately I have no doubt but what that will be, but I have very grave doubt of the wisdom of making the transfer now for these reasons: The House some months ago passed a bill providing for a budget. The House is very insistent that there shall be budget legislation this session of Congress. [Applause.] The House is equally insistent that the budget legislation shall be thoroughgoing and effective and not a makeshift or a camouflage. I do not say—I am not justified in saying, because I do not know—that this amendment was placed on this bill by those not friendly to a thoroughgoing, effective budget system, but I do know, or at least I believe, that the adoption of this amendment would make it much easier to avoid and defeat the adoption of a budget system at this session.

Mr. WALSH. Will the gentleman yield?

Mr. MONDELL. And if the provision was not put in the bill for that purpose, I can not imagine what the purpose could have been. I will yield to the gentleman from Massachusetts.

Mr. WALSH. Has the gentleman considered the contingency that possibly this very provision will have to be considered in conference again if budget legislation ever gets to conference?

Mr. MONDELL. I have considered that, and that is one of the very reasons why this should not be considered at this time and in connection with this legislation and in this form. It should not be, because it confuses the situation. It interjects into the legislative situation a condition tending to make it easier to defeat an effective budget bill; it affords an excuse for not providing a thoroughgoing and effective budget bill in the due course of time.

Mr. GARNER. Will the gentleman yield?

Mr. MONDELL. In just a moment. In the due course of time and in connection with the general question of the budget this matter should be considered, and it will be then logical to consider it. It can then be considered on its merits in connection with the other important propositions of which it would be a part. I now yield to the gentleman from Texas.

Mr. GARNER. The budget bill which we passed in the House and went over to the Senate contained two propositions. One was an executive budget and the other a legislative budget and an independent audit system. Now, this would tend to take the place of an independent audit system, and if we adopt both we would have a duplication of work which, I think, is wholly unnecessary, and I can not conceive of this legislation being proposed for any other purpose except to defeat the budget bill which we sent to the Senate.

Mr. MONDELL. Whether that be the purpose or not that will be the effect, and I can not think of anything more illogical than having started to develop a budget system, a thoroughgoing and effective budget system, we shall, in the midst of the prosecution of that essential work, turn aside and pick up a makeshift or partial substitute for some features of a budget. Now, Mr. Speaker, that is about all I care to say about the matter. I feel very earnestly about this matter. I think the House is called upon again to say whether it stands squarely, unequivocally, honestly, and with determination for budget legislation.

Mr. GARNER. Will the gentleman yield?

Mr. MONDELL. I do.

Mr. GARNER. I think the gentleman ought to say in that connection, in order that we may get a parliamentary situation so we can get a budget system, that unless something develops between the time we pass the sundry civil bill or the deficiency bill or some other bill that must become a law before this Congress adjourns which will make the parliamentary situation such as to make it possible for us to consider some kind of budget legislation—one gentleman remarks that we put it through, but the Senate has not put it through, and the Senate may not consider and may not pass the legislation—we should put it on some appropriation bill. Then they will be compelled to consider it, and this House will have an opportunity to force legislation of that character.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. MONDELL. In just a moment. I think I have sufficiently evidenced my earnestness in the matter, and while I think we ought to proceed along the usual legislative lines, if it becomes necessary to do otherwise that is a matter that certainly ought to be considered. I will now yield to the gentleman from Missouri.

Mr. CLARK of Missouri. I will ask the gentleman if the House did not pass the budget bill by an almost unanimous vote?

Mr. MONDELL. It did.

Mr. CLARK of Missouri. Where does the opposition come from?

Mr. MONDELL. Well, I do not know, I will say to my friend, definitely; but I do not like to see a provision of this kind that, to my eye, has the complexion of the proverbial African in the woodpile. It may not be, but it has that appearance to me.

Mr. CLARK of Missouri. I will state to the gentleman that I heard this morning, which looked to me to be straight, that one of the most powerful Republican Senators over in the Senate was fixing to kick the slats out of this whole budget business.

Mr. MONDELL. I am sure that the Senate, as the House, is practically unanimously in favor of a budget, but I think it is always our duty to make the way easy to those who desire to pursue the path of righteousness.

Mr. CLARK of Missouri. If the gentleman will yield for another question. What brought about the suggestion that if we pass this thing now and then pass a budget bill that we will have another case of duplication? Can not we bring in a bill one day legislating this efficiency concern out of existence?

Mr. MONDELL. Well, that might be done. Does the gentleman from Iowa desire some time?

Mr. HASTINGS. Will the gentleman yield a minute to me?

Mr. MONDELL. I yield.

Mr. HASTINGS. I want to invite the majority leader's attention to a proposed amendment to the Constitution, which would permit the President to veto items in an appropriation bill. Now, if the majority leader is really in earnest about economizing, I think the giving of the President the power to veto separate items in an appropriation bill will do more to bring about economy, or as much to bring about economy, as anything else that could be done. I have taken occasion—and I hope to have the opportunity of addressing the House on the subject in the near future—to write to the governor of every State in the Union, and I have collected a great deal of data concerning this matter. A great many of the States of the Union have similar provisions, and this provision is not criticized by the governor of any State, but most of them commend it, and say it has done a great deal of good in the various States where they have such a provision. And I can not see any argument against such an amendment to the Constitution of the United States.

Mr. MONDELL. Does the gentleman from Mississippi [Mr. Sisson] desire some time in opposition?

Mr. Sisson. Yes.

Mr. MONDELL. How much? Five minutes?

Mr. Sisson. I would like to take a little longer time than that. I would rather not be limited for the present. I am not going to talk very long, but will talk directly on this item.

Mr. MONDELL. Ten minutes?

Mr. Sisson. Yes.

Mr. MONDELL. I yield to the gentleman 10 minutes.

Mr. Sisson. Mr. Speaker, in my judgment the gentleman from Wyoming is unnecessarily alarmed about this item. If I may get the attention of the House, I believe I can convince it that this item has nothing to do with the budget. If you have a budget and you make the allotment to the various departments of the Government and follow the budget to the letter, this Bureau of Efficiency has to do with the money after it has been allotted or appropriated to the departments. They have made a great many recommendations which have been carried out by the various departments of the Government, and in one instance, in the Treasury Department, the Treasurer was able to dispense with the services of 400 men by adopting the method suggested by the efficiency committee. This Bureau of Efficiency will have nothing to do with the budget and can have nothing to do with it. They simply go through the various departments, and under the present arrangements they have been going only into the departments where they have been invited to go. Your Committee on Appropriations have repeatedly aided and assisted them in getting into the departments by making the request themselves. Now, unless you have some influence outside of the bureau chiefs, outside of the chief clerks, outside of those men who have been operating the departments for quite a while and who imagine that the bureaus which they themselves are conducting are just exactly as they should be, you will never be able to get any reform in an accounting system, in the method of doing business in the departments, in adopting modern methods of keeping books, in adopting labor-saving devices, and all those instrumentalities which the commercial world is now using, and you will have to force them into the departments. If this Bureau of Efficiency could be under the control of Congress and not appointed by the executive department, they then would have room to make the investigations and make reports without fear of losing their heads.

Now, I do not believe there is a single Member of Congress who would vote to do any department an injustice, but if our

professions on this floor and on the stump mean anything they mean that we want efficient service, and more efficient service, in the future than we have had in the past and more efficient service than we have now. Therefore when your conferees were confronted with this proposition they found some features of the amendment which the Senate put on, but they yielded to the House in reference to these items, and we could have agreed in conference, but the chairman of the committee had agreed that this item should come back to the House.

Now, we did not like the method of dispensing with services as provided in the Senate, because under that language they were afraid that it would be absolutely necessary to bring impeachment proceedings to remove those who were appointed under the language of the Senate bill. But eliminating that language, they are to be removed by the Speaker of the House and by the President of the Senate. So when you take into consideration the budget bill as it passed the House, even the legislative feature referred to by the gentleman from Texas [Mr. GARNER], this can in no wise affect that. This in no wise conflicts with it, this in no wise gives any man an excuse who favors the budget system. And I do favor it. And I say that your conferees, so far as I am informed—and I think the gentleman from Tennessee [Mr. BYRNS] will agree—that not a single member on the Appropriations Committee, so far as I know, objects to the budget bill that was presented here by the gentleman from Iowa [Mr. GOOD]. Therefore, as a friend of the budget system, I do not believe, nor do your conferees believe, that this bill will be a duplication of work, because the administration of the budget system can not in any wise go into the departments, can in no wise investigate the methods used in the departments, and your budget system is going to be, in my judgment, a failure to a certain extent unless you can adopt economical methods in these departments and can bring about efficiency.

I mentioned the Treasurer's office. I could mention The Adjutant General's department, and while there is some little difference between The Adjutant General and one member of this Efficiency Bureau, the General testified before us that, with the exception of this one gentleman, they were all men who were willing to help him, and The Adjutant General admits that in nearly all of the recommendations of this Bureau of Efficiency their suggestions have been met, and that he has adopted nearly all the suggestions which they made.

I believe the present Adjutant General to be an accomplished Army officer and a man earnest in the performance of his duty. That is Gen. Harris. His testimony will show that this Bureau of Efficiency has accomplished good things in his department. So in the Post Office Department. Gen. Burleson, day before yesterday, when I was in his office, said that he had the Bureau of Efficiency there and had invited them to come into the Post Office Department.

Mr. GALLIVAN. Will the gentleman tell the House something about the work of the Bureau of Efficiency in the War Risk Bureau?

Mr. SISSON. In the War Risk Bureau?

Mr. GALLIVAN. Yes.

Mr. SISSON. They have accomplished some good there, but I can not tell you the details of what they accomplished. But I do know that a great many clerks have been dismissed.

Mr. GALLIVAN. The gentleman would not agree with me that this Bureau of Efficiency came near wrecking the War Risk Bureau?

Mr. SISSON. I do not think so. On the contrary, I believe their recommendations are reasonable. But the Postmaster General said the Bureau of Efficiency had gone into his department on his invitation, and although since he has been Postmaster General the business of his department has increased 70 per cent throughout the country, as the records will show, yet by the adoption of modern methods and by cooperation with the bureau he has been able to reduce the expenses about 5½ per cent below what they were before the increase of business.

He said, "We should have been, and would have been, justified, and could have come to Congress and could legitimately have said, 'The business throughout the country has increased 70 per cent, and, the business having increased 70 per cent, that is my reason for increasing my force in the city of Washington 70 per cent.'" But he did not do it. He adopted business methods, and the Post Office Department is doing 70 per cent extra business, and it is costing the people 5½ per cent less than the service cost the people before he adopted these methods. So that the Committee on Appropriations, coming in close contact with this situation, is able to say that while the Bureau of Efficiency has not accomplished all it endeavored to accomplish, because in many instances every recommendation it made was resisted, yet it is fair to say that while all their recommenda-

tions have not always been wise—because they do not claim to be all-wise—where it has been able to get the cooperation of the departments that bureau has done much good.

Now, we feel that under this method of direction that bureau will be the agency of the House and the Senate; the agency of the body that raises the money; and that they would then be free to make recommendations to the various committees as our agency, and would accomplish infinitely more good than if they were responsible for their places and appointments to the Executive, where they would feel that where they should overstep any bounds they might be subject to removal by the Executive.

Now, under the Parliamentary Audit of England, they do all the auditing, and I wish we could get that system here, because under that system the English Government absolutely not only has control of the appropriations and the purse strings when they take the money from the people in the form of taxes, but they absolutely control and follow up the expenditure of that money, follow it up to its legitimate purposes, for which it is expended, and see not only that the money has not been unlawfully expended, but see that it has been wisely and economically expended. That is the purpose of your conferees in agreeing to this amendment, that this Bureau of Efficiency may go into these departments after the money has been allotted to them, so that these gentlemen can report to Congress whether the money has been wisely or unwisely expended, and in case it is extravagantly expended, ascertain what is necessary to bring about economy.

I do not believe there are half a dozen Members of Congress who would fail to vote for this if they were convinced that it would be accomplished.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. SISSON. I would like to have two minutes more.

The SPEAKER. Does the gentleman from Wyoming yield the gentleman time?

Mr. MONDELL. I yield two minutes to the gentleman.

The SPEAKER. The gentleman from Mississippi is recognized for two minutes more.

Mr. SISSON. How many of you gentlemen can rise in your seats and say that any particular department is not efficiently run? And how many of you could explain to the Members of this House exactly what is needed to remedy the situation there? How many Members of the Senate could do that? You have to have an agency to go into the departments and make recommendations, so that we can act intelligently upon the matter. I do not believe it is always the mental attitude of Members of Congress in failing to economize so much as it is their failure to know just how to economize, to know just how to reduce expenditures without reducing the efficiency of the Government; and if this arm of the House and the Senate is agreed to in this conference report, we can at least make that effort, and with a small expenditure of money ascertain whether or not, under our direction, this Bureau of Efficiency will result in any good.

Entertaining these ideas, your conferees agreed to it. We feel that the House ought to agree to it. We feel that the Senate acted wisely in insisting on its amendment, and with the suggested changes it would be absolutely in the power of the House and Senate to change the personnel of this bureau at any time if it did not suit them. For that reason we believe that the Bureau of Efficiency will be worth infinitely more to us than it has been in the past, and it has been worth a good deal to us in the past, according to the testimony of the bureaus where this Bureau of Efficiency has made its investigations and recommendations.

I do not know that many of you gentlemen have had your attention called to this matter, but I do believe that if you had served on the Committee on Appropriations, where we patiently made the effort, especially the subcommittees that have directly to do with the departments, you would realize that we need this information, this concrete information, so that we can make appropriations in amounts sufficient to efficiently do the business of the Government. Without some information of this kind I am at an utter loss to know how you are going to be able to reduce expenditures. [Applause.]

Mr. MONDELL. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

The SPEAKER. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. GALLIVAN. Mr. Speaker, I must disagree with my friend and colleague on the Committee on Appropriations, the gentleman from Mississippi [Mr. Sisson]. I am in favor of the motion made by the distinguished majority leader [Mr. MONDELL] that the House disagree to this amendment, and that a further conference be asked for.

I do not know that I would have taken the floor to discuss this proposition but for the speech of the gentleman from Mississippi. Because I know the facts, I differ with what he had to say, and I feel it incumbent on me to call to the attention of the House, particularly to the attention of some Congressmen who may not in other days have known of the activities of the Bureau of Efficiency, some of the efforts made by the chief of that bureau to foist himself upon the executive departments where he was not needed.

Now, let it be said that this chief originally came into office in 1914, when the Committee on Appropriations gave him an appropriation that year, which was to take care of all of his efficiency work and his work of economy, of \$15,000. In 1915 he jumped 100 per cent, to \$30,000. In 1916 he went along with \$30,000 and got a deficiency of \$1,200 more. In 1917 he jumped to \$69,000. In 1918 he went up to \$98,000. In 1919 he went up to \$115,000; this year to \$125,000, and next year more.

Here, in a nutshell, is the remarkable progress of the Chief of the Bureau of Efficiency, who has made a wonderful showing in these economies that the gentleman from Mississippi [Mr. Sisson] refers to.

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. CALDWELL. He apparently is very efficient in getting money out of the Treasury. [Laughter.]

Mr. GALLIVAN. Yes; much more so than appears on the surface to the men of this House who have not been familiar with what Mr. Herbert D. Brown, chief of the bureau, has been doing.

Beginning some six years ago Brown spent three noisy and contentious years with the United States Civil Service Commission. Two more years were wasted fumbling and fiddling with his corps of efficiency experts and his train of efficiency devices in the United States Treasury until finally kicked out of that department by the Secretary of the Treasury. Later he broke into the War Department with his efficiency systems and disorganized methods. Quite recently he was engaged in a bitter warfare with The Adjutant General over the practicability of certain visionary schemes he is trying to force upon that department. The Secretary of the Interior, Mr. Lane, saw him first, and despite his protests of injured innocence he was prevented from putting his efficiency devices in operation in that department.

Something more than a year ago, while the country was in the midst of war and at a time when capable men were hard to secure, Brown was named director pro tempore of the War Risk Bureau and for some nine months the operation of this bureau was under his absolute direction. If there is any doubt in the minds of any Member regarding the impracticability of the efficiency schemes of this man or of the utter incompetency of the man himself, I want such a Member to recall to memory the unsavory record of this same War Risk Bureau. On the floor of this House we have heard a number of Members testify regarding conditions prevailing in this bureau while under the management of this man Brown.

The gentleman from Missouri [Mr. RUCKER] stated that in one day there were 300,000 letters received which lay scattered on the floor of this bureau in an aimless pile unopened and unanswered. From every nook and corner of the country dependents and wives of our soldiers complained to Congress that they were neither getting subsistence checks nor, in fact, able to receive an answer to their correspondence. On numerous occasions the gentleman from Illinois [Mr. MADDEN] drew the attention of this House to the utter inefficiency of this man Brown and the hopeless condition of the War Risk Bureau under his management.

In fact, conditions there became ultimately so intolerable that with one voice the people of the United States arose in protest against its miserable administration, for which the director pro tempore, Mr. Brown, and his efficiency devices were chiefly responsible, nor was order restored until he was driven from further participation in its affairs. I have been reliably informed, Mr. Chairman, that during these nine months Director Pro Tempore Brown was generally known among the officials and the employees of this bureau as "Inefficiency Brown," and it was reported that he tried to administer this largest insurance business in the world from his own bureau by telephone. Had he given one-tenth the attention to this War Risk Bureau that he has devoted to his private penchant for lobbying and interfering with legislation there would not be this sorry record to set down. Among his contributions in the shape of efficiency devices in the administration of the War Risk Bureau was one extraordinary mechanical time-saving experiment for handling claims. In reality it was nothing more than a half-baked idea of some visionary inventor. More than a year has elapsed

since Brown tried to introduce this device, but it is still in the blue-print stages, although I am reliably informed over \$200,000 has been wasted on this experimental machine.

In the face of these utter failures, it would seem that Mr. Brown and his ideas would quietly disappear or that this imposing list of blunders would, at least, chill his effrontery. Instead his bureau has grown in influence and power. More money is required for its upkeep. Brown keeps on lobbying. He gets the money. Some two years ago he was directed by the United States Senate to prepare statistical data regarding the prospective cost of several plans for the retirement of civil-service employees. Practically two years and \$100,000 of the people's money was used up in making this investigation, and the sum total of all these efforts is a compilation of figures that, in so far as their value to Congress or to anyone else is concerned, are worse than worthless. Quite recently, when Senate bill 1699 was up for consideration in the United States Senate, this very tabulation was the subject of long and heated controversy. Now there is a general agreement of opinion among both the friends and the opponents of this bill that Brown's retirement compilation possesses no value whatever.

On the contrary, Government Actuary Joseph S. McCoy, acting under orders of Secretary of the Treasury CARTER GLASS, compiled within a three-week period, at no cost to the Government save his own salary, a tabulation relative to the cost of the various retirement plans which is infinitely superior and infinitely more reliable than the figures presented by Efficiency Expert Brown. In this connection I will include here, as part of my remarks, an editorial from the Washington Times under the caption, "What a retirement bill will cost the Government":

WHAT A RETIREMENT BILL WILL COST THE GOVERNMENT.
(By Bill Price.)

Senator CARTER GLASS, when Secretary of the Treasury, submitted to Joseph S. McCoy, actuary of the Treasury, a request for full information as to what the proposed bill will cost the Government. This was done at the request of Senator STERLING, chairman of the Senate Committee on Civil Service and Retrenchment, who is strongly supporting the measure.

Mr. McCoy is regarded in Washington as the most wonderful mathematician the Government ever had in its service. His aid has been invoked for years by the House Committee on Ways and Means and the Senate Committee on Finance in the preparation of revenue bills for which there was no precedent in Government taxation. How much revenue will a tax on so-and-so bring in is a question put by Congress to Mr. McCoy. He has for years come within a few dollars each year of informing the committee just what the Government could expect in revenues from a given item of taxation.

In his reply to the Treasury request for detailed information as to the cost of the bill this wizard of figures definitely states:

"While the plan will eventually cost the Government some \$9,000,000 per year, it is very evident that the efficiency of the service will be increased at least 5 per cent, which is equivalent to over \$18,000,000 (saved to the Government) per year."

Mr. McCoy substantiates his conclusions by tables of various kinds. The first year's cost to the Government would be only \$6,000,000. He doubts whether the maximum contribution of the Government would ever exceed \$15,000,000.

Mr. Speaker, this editorial gives further confirmation to my statement regarding the worthlessness of Chief Brown's figures and the merit of those submitted by Government Actuary Joseph S. McCoy. And I would have you remember that Brown's misleading figures represent an expenditure of some \$100,000, while those of Government Actuary McCoy cost comparatively nothing.

In failing to attain even a measurable success as in this instance Brown is simply running true to form, but this will not check his ambitious designs. Brown is still lobbying. He is still busy with Senators and Congressmen. He is still nursing dreams of expanding power. He is still following the policy of paying little attention to efficiency and devoting much of his thoughts to the enactment of legislation that better suits his purposes.

In this connection I wish to especially direct your attention to Senate bill 3612, introduced by Senator KING, of Utah, which makes provisions for such a further wide extension of the powers of the Bureau of Efficiency as to almost stagger the imagination. Were this bureau a fit institution of proven capacity, these projects for greater power to be delegated to its charge would be highly extravagant, but in the light of the record of Brown and his bureau the proposal is unthinkable and absurd. Note the terms of this bill that promises so much power to the Bureau of Efficiency.

It provides that Brown, as chief of the bureau, shall have almost unlimited and unrestricted authority over all other Government departments. In its practical application it would put a club in his hands that would even bring Cabinet Members to their knees when wielded by an ambitious and designing man. This bill provides that in the matter of appointments, transfers, promotions, dismissals, personnel of the departments, allotments of employees to each department, and practically everything else, Efficiency Expert Brown will have the unrestrained right to pass

judgment, issue edicts, see that his will is obeyed, and by the stopping of salary vouchers and otherwise enforcing his ideas of efficiency and discipline every departmental bureau and section chief of the District, or in the entire Government for that matter, will be subject to his whims and wishes. Think of this autocratic power being vested in one man, an individual who has won distinction, not by worthy service but by planning and plotting and by hollow promises and vain pretensions misleading Members of Congress. This power is now to be vested in a man claiming an unselfish concern for the public welfare and who has won influential converts to his scientific management philosophy. When his activities have been brought to book these friends have been quick and ready to take the floor in his defense and to excitedly proclaim his pretended virtues. Chief Herbert D. Brown, of the Bureau of Efficiency, is a lobbyist before everything else. That is his art. That is his craft. In that he has won distinction. As an efficiency expert or as a useful adjunct to the public service he is of no useful service whatever, but rather have his efficiency schemes disrupted orderly administrative processes wherever installed and their operation has been a constant drain upon the Public Treasury.

No matter how pure the motives, it is a questionable practice for any bureau chief to be continually lobbying around the Capitol, attempting to influence legislation and boasting of his prestige with the lawmakers. His business is in his office. He should be ready to respond to the call of Congress. No public official whose time is spent chiefly in lobbying is fit to hold public office or worthy of the confidence of the people. Steps should be taken at once to rid the service of this man Brown, and if needs be a congressional investigation should be ordered to see whether this Bureau of Efficiency performs any useful service or discharges any worthy functions in the public service.

Mr. Speaker, I ask the House to support the motion of the majority leader and send this bill back to where it came from with this objectionable amendment. I am confident that the House will do this practically unanimously.

Mr. GALLIVAN was given leave to revise and extend his remarks.

Mr. MONDELL. I yield 10 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, it is very rarely that I find myself in a position of disagreement with the gentleman from Mississippi [Mr. Sisson] on matters relating to appropriations, and I regret that on this occasion I can not agree with him with reference to this Senate amendment. I hope the motion made by the majority leader [Mr. MONDELL] that the House further insist upon its disagreement to the Senate amendment with respect to the Bureau of Efficiency will prevail. And I wish to say, gentlemen of the House, that in this position I am not influenced by any opposition, personal or otherwise, to the Bureau of Efficiency. I have had occasion heretofore, as a member of the Committee on Appropriations, and upon the floor of this House, to comment on the splendid service performed by the Bureau of Efficiency. It has rendered in many instances which could be pointed out a very valuable service to Congress in the matter of the expenditures made in the various departments. But I look upon this amendment, Mr. Speaker, as one which will endanger the chance of securing budget legislation if it is adopted. We can not have a successful and a proper form of budget legislation unless we go further than merely giving to some central authority in the executive branch of the Government the right and the power to revise the estimates before they are submitted to Congress. We not only must have some one connected with the executive branch of the Government whose duty it shall be to revise these estimates and to reduce them, cut out duplications, and so forth, before they are transmitted to Congress for its consideration, but after the appropriations are made we must have some authority under Congress that will see to it that the appropriations which have been made by Congress are expended as the Congress intended they should be expended. In other words, you can not have a successful and a proper form of budget legislation unless Congress has the control of expenditures after the expenditures are made.

The gentleman from Mississippi [Mr. Sisson] says that the adoption of this amendment will not interfere with the budget legislation. Let us see. I want the gentleman to examine the bill which was passed by the House last fall, as the gentleman from Missouri [Mr. CLARK] said, by practically a unanimous vote.

You will find that it not only provides that the President shall have the authority, but it shall be his duty to revise the estimates before they are submitted to Congress, but it also provides that a controller general shall be appointed, who will be under the control of Congress and who is given charge of

a sufficient force for the purpose of doing, among other things, just what this amendment provides. In other words, it will be his duty with that force placed under his jurisdiction to investigate the various departments and to say whether or not those expenditures are properly and efficiently made, and render his report to Congress. I can not view this amendment in any other light than an effort to defeat the budget legislation which the country is demanding of Congress and which is favored on both sides of this Chamber. Both political parties favor budget legislation. The Democratic convention of four years ago declared for budget legislation in its national platform. Gentlemen almost unanimously on both sides of the Chamber, both Republicans and Democrats, are in favor of budget legislation. If you adopt this legislation, I want to serve notice on you now, as the gentleman from Wyoming said, you are placing in the hands of those who may oppose budget legislation a club to defeat it in the end.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. ANDREWS of Nebraska. What does the Bureau of Efficiency have to do in regard to the expenditure of appropriations?

Mr. BYRNS of Tennessee. Absolutely nothing as far as the expenditures are concerned. The Bureau of Efficiency was created by a provision on an appropriation bill to establish standards of efficiency in the various departments by consent of the head of the department.

Mr. ANDREWS of Nebraska. May I ask what interference the Bureau of Efficiency have in the budget matter in the expenditures of money covered by the budget?

Mr. BYRNS of Tennessee. It will have this effect: It will result in positive and emphatic duplication of work. The gentleman from Nebraska is thoroughly familiar with the budget bill as it passed the House. If the bill becomes a law, it provides for a comptroller general with the force provided for in the bill, and his duties are prescribed in that bill, and I say with the Bureau of Efficiency under the control of Congress as the comptroller general will be, there will be a positive duplication of work on the part of the two bureaus. One principal reason why budget legislation should be adopted is to cut out duplication of work, and this Congress does not want to place itself in the position of actually providing for additional duplication while adopting legislation to prevent it in the various departments of the Government.

Mr. ANDREWS of Nebraska. This is a very important matter, and I desire to get at the gentleman's thought. As I understand it, the law of the accounting system would have to be materially modified in order to give the comptroller general any authority over the appointment of clerks, their grades, or their reduction or demotion.

Mr. BYRNS of Tennessee. Undoubtedly. I do not mean to contend that the comptroller general would have any such authority if the budget bill passes as it passed the House. That is a matter for Congress. The comptroller general under the terms of that bill, if directed by Congress, or any proper committee of Congress, can go into any department, investigate the manner in which expenditures are being made, the efficiency of the clerks, and whether they have too many or too few, and make his report to Congress, and Congress can take such action as it sees fit on the report.

Mr. MAGEE. Will the gentleman yield?

Mr. BYRNS of Tennessee. Certainly.

Mr. MAGEE. I would like to know how you are going to get a budget system that amounts to anything without amendment of the rules of the House providing for the concentration of appropriations in one committee?

Mr. BYRNS of Tennessee. That proposition is now pending.

Mr. MAGEE. Is it not well enough to admit frankly, at least to ourselves, that if the Senate does pass the bill that is pending over there, and it becomes a law, we shall have nothing except an empty shell?

Mr. BYRNS of Tennessee. I would not say that it was an empty shell, because I think that much good will result from the passage of the budget legislation. In my opinion the legislation that passed the House is of much more importance than the amendment to the rules, but I think, as the gentleman does, that they do go hand in hand.

Now, this is legislation on an appropriation bill. There is a budget bill pending in the Senate, and I understand it is to be shortly reported and discussed in the Senate. Everyone in the House hopes it will quickly pass the Senate, so that it can be enacted into law in time for the transmission of the estimates next fall. I think that rather than adopt this amendment put on an appropriation bill by the Senate we ought to reject it, and insist on the disagreement, and let it be regularly consid-

ered by the Senate with the legislation now under consideration, because they are similar and identical in many respects. [Applause.]

Mr. MONDELL. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. Wood].

Mr. WOOD of Indiana. Mr. Speaker and gentlemen of the House, in what I may say I do not want anyone to think for one moment that I have any desire to throw an obstacle in the way of the passage of the budget bill. I have been advocating it ever since I have been in Congress, and the longer I am here the more necessity I see for such a system.

I hold no brief for the present head of the Bureau of Efficiency, but I do know that we need a Bureau of Efficiency, and need it to operate in such a way that in itself it can be of efficient service to the Government. Under the present plan it is absolutely or very nearly nil. It can not go into any executive department without the invitation of the head of that department, and they never receive that invitation. Whenever a proposal is made to make an investigation for securing efficiency it is resented; and one of the greatest pieces of impertinence that I ever saw thrown in the face of Members of Congress and Congress itself is the letter written by the Secretary of War in opposition to this provision, criticizing us for daring to assume that we should be the ones who should say when, where, and how the Bureau of Efficiency shall operate. To my mind the opposition of the War Department to having the Bureau of Efficiency report direct to Congress and to its being under the direction and control of Congress affords the best reason why this scheme should be adopted. One of the striking accomplishments of the Bureau of Efficiency as now constituted, and hampered as it is, was in demonstrating that \$5,000,000 a year could be saved to the Government in the Quartermaster General's office by consolidating the various divisions of that department into one businesslike department. The report of this bureau confirmed the opinion of the Quartermaster General, who said the saving could be made by this consolidation, and result in the rendition of far more efficient service. The Quartermaster General undertook to make it, and cut 72 officers from the pay roll, and was preparing to release 500 civilian employees when the Secretary of War, at the suggestion of the General Staff, countermanded the order and directed that all these officers and men be put back on the pay roll, that they might continue this wasteful extravagance. Efficiency is one of the last things the War Department desires. Furthermore, the Secretary of War has the nerve to submit in his letter the kind of a provision he would have inserted in this bill, absolutely nullifying and making inefficient this Bureau of Efficiency, demonstrating, if you please, the necessity for an independent Bureau of Efficiency that will respond to the Congress of the United States, that is entitled to receive information which may be of service to it.

What is the situation? Take the various appropriating committees that are desirous of having information in formulating their several appropriation bills. All of the information that they get is the information that comes from heads of these departments. The committee hears only one side of the case, and they have no means of ascertaining the truth of their statements or of their bureaus' necessity as the law now is.

If we had a Bureau of Efficiency responsible to Congress to make an investigation in obedience to the committee that is desirous of knowing and that is entitled to know what the existing conditions are, there would be quite a different question presented. At this very time we know there are thousands and thousands of employees in these departments who should go home and who should be released from the civil-service rolls. Yet every one of these bureaus coming before these committees insist that their particular bureau shall be kept up at its present strength, and many of them even ask for increases, and why? Because they think they are being humiliated if their bureaus are decreased in number. If we had a Bureau of Efficiency that could go and make a survey of the work being done in these offices, that bureau could give information of value to the various committees of Congress. The only way we have now is just to blindly shut our eyes and reduce the appropriations, hoping that these gentlemen will conform to the reductions made. It is unscientific and utterly impractical the way it is now. I am not here for the purpose of interfering in any way with the creation or operation of a budget system. If I were assured, or if I can be assured, that a budget system will be passed by this Congress in which the machinery that is provided for in this proposed amendment will be inserted, then I say well and good, we should not have any duplication even in a Bureau of Efficiency system. But there is the most important urgency that this Congress before it adjourns shall make it impossible for the autocratic head of any of these departments

to say to the Chief of the Bureau of Efficiency or to the heads of these committees, "We are running this establishment of ours and we will give you the information that you desire, and that is the only information that you can get." That is what they are saying to us now, and they are even coming here and demanding that we pass legislation which will permit them to continue in this slipshod way of doing business. Every Member of Congress knows, and he has repeated it time and again on this floor and has written it to his constituents time and again, that these departments are reeking with inefficiency. We all know that there is not a business concern in the United States that would last a year if it conducted its business the way the business is conducted in these departments. We all know that the clerical force in Washington could be reduced one-half, if not two-thirds, if there was a business way of doing things, and that more satisfactory work could be done, with a reduction of expense amounting to at least one-half or two-thirds of what it now is. So that nothing can be said in favor of the defeat of a Bureau of Efficiency responsive to Congress. The only thing that can be said is the manner in which it shall be created, whether by the adoption of this amendment, or whether it shall be included in a budget system.

Everyone who has had anything to do with the investigation of these departments for the purpose of making appropriations knows that we are imposed upon every day and every hour, and that by reason of that imposition the Government is made to pay millions and millions of dollars each year. Something must be done, and it is our duty to do something, and to do it now, to remedy this situation. [Applause.]

Mr. MONDELL. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. Good].

Mr. GOOD. Mr. Speaker, for a number of years the gentleman from Tennessee [Mr. BYRNS] was chairman of the subcommittee having in charge the legislative, executive, and judicial appropriation bill. I served with him on that subcommittee. On numerous occasions we were called upon to defend the action of the Bureau of Efficiency. I can not agree with my friend from Massachusetts [Mr. GALLIVAN] with regard to the work of the bureau. It may have made mistakes—all of us have—but it has done a great deal of good. I do, however, think that the amendment contained in this bill is destructive of budgetary legislation, and hence I can not support it; it is offered as a substitute for budgetary legislation. If there is one thing which the people of the country are demanding, it is budgetary legislation by this Congress. Almost six months ago to a day the House passed a bill for a budget system by a practically unanimous vote, only three votes being registered against it; yet not until six months after that did the Senate committee on the budget report out a bill. I realize there is a strong feeling in the House that the Senate is trying to kill this legislation. I know there is widespread feeling of distrust that we are not going to have a budget system. So many Members of the House have come to me personally and asked that the budget bill, which the House passed, be placed on the sundry civil appropriation bill, and, if necessary, a rule be brought out and adopted making it in order, thus assuring budget legislation, that I am constrained to believe that unless something is done at the other end of the Capitol some action of that kind will have to be taken by the House, because we are going to have budgetary legislation at this session of Congress, and such legislation will take care of this. [Applause.]

Let us see what has been the history of the Bureau of Efficiency. The Bureau of Efficiency has done some good work, but it has never done the work that Congress authorized it to do in the act creating it. In the legislative appropriation bill approved August 23, 1912, the Bureau of Efficiency was established, to create efficient ratings, and it was made a division in the Civil Service Commission. They had not worked there very long until the officers of the bureau got into a quarrel with Mr. McIlhenny, the president of the Civil Service Commission, and then by the next bill it was taken out and made a bureau of the President to assist him in trying to bring about efficiency in the various executive departments. Now, what does our budget bill provide? It goes a great deal further than the gentleman from Mississippi [Mr. Sisson] would have you believe. It provides for a comptroller general, and I wish to remind the House that the comptroller general is to be the arm of Congress, and that if that bill becomes a law he can be removed only by a joint resolution of Congress. The bill provides:

SEC. 13. That the comptroller general shall investigate, at the seat of government or elsewhere, all matters relating to the receipt and disbursement of public funds, and shall make to Congress, at the beginning of each regular session, a report in writing of the work of the accounting department, containing recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt and disbursement of public funds as he may think

advisable. In such regular report, or in special reports at any time when Congress is in session, he shall make recommendations looking to greater economy or efficiency in public expenditures. He shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures. The comptroller general shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as the committee may request. The comptroller general shall specially report to the Congress every expenditure or contract made by any head of a department in any year in excess of the appropriation to such department and in violation of law.

He becomes the efficiency expert of the Government, and under him we will have a Bureau of Efficiency. What does this amendment provide? It is certainly an amendment offered by those who are not in sympathy with budget legislation at all. It will kill real budget legislation.

What does this bill provide? The Bureau of Efficiency which we turn loose upon Congress without anybody to guide, without anybody to control, with an appropriation of \$125,000 a year, is authorized to investigate any matter relating to organized activities or methods of business of the several administrative services of the Government and shall from time to time submit reports of its investigations to Congress. On its own initiative we turn loose here one man not answerable to anybody and say to him that he shall go out whenever he wishes and submit his reports to Congress. In the budget bill passed by the House we have provided for a semijudicial officer, the comptroller general of the United States, who will have under him hundreds of employees, all the accounting officers and employees under the six auditors who are now employed. It will be their duty to examine every account of every dollar that is expended out of the Public Treasury. When these accountants come back to the comptroller general he will learn from them where inefficiency exists. He will get the information in regard to overlapping of work, of everything of that kind, and it is made his duty to report them to Congress.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. GOOD. I do.

Mr. WOOD of Indiana. Suppose in a given case under the language provided by the budget system bill that a committee of this Congress was satisfied that there was not only inefficiency in the amount of work done by a given department but the manner in which it was being done. By what authority would we get a report in a case of that kind?

Mr. GOOD. The bill we passed provides that the comptroller general also—

shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures.

We have given him very full instructions in this regard. Now, mind you, the budget bill was put in; for what purpose? To stop duplications in the Government service. What does the Senate amendment do? It simply creates another branch, another agency to do the same work that we have provided for in the budget bill to be performed by the comptroller general. Now, let us be consistent. These matters are going to be in conference. Let us not put legislation on an appropriation today and take it back to-morrow. That is not good legislation. We are going to have a real efficient prompt action by the comptroller general and those who will be employed under him, and let us not confuse the matter. Let us not throw dust in our own faces and defeat budget legislation by this kind of camouflage. I do not agree with the Secretary of War in the conclusion he reaches that no efficiency experts shall go into his department. I think Congress has that right, and we must exercise that right if we are to bring about real economy, and let us do it in a sensible way. Let us leave to the committee that has jurisdiction of this legislation full and complete authority to exercise that jurisdiction, and I assure you it will be exercised in a manner satisfactory to any man who is in favor of a most rigid and strict investigation of every executive department. [Applause.]

Mr. MONDELL. Mr. Speaker, how much time have I remaining?

The SPEAKER. Two minutes.

Mr. MONDELL. Mr. Speaker, let me repeat that it is our hope and expectation that the class of activities that naturally and properly are within the jurisdiction of a bureau of efficiency shall be undertaken and carried on under the budget plan that is proposed. We have no hostility to the Bureau of Efficiency. We are all of us in favor of having an efficiency bureau or efficiency agency responsible to the Congress, but to adopt this amendment now with budget legislation pending would be to confuse the entire issue, and if we are heartily in favor of a budget system, and an efficient one, we should vote to disagree to this Senate amendment in order that these matters may all

be considered in connection with the consideration of the budget system generally. I hope the House will vote unanimously against the adoption of this amendment and insist upon a disagreement.

The SPEAKER. The question is on the motion of the gentleman from Wyoming that the House insist on its disagreement to Senate amendment 53 and agree to a conference.

The question was taken.

Mr. GOOD. Mr. Speaker, I ask for a rising vote.

The question was taken; and there were—ayes 104, noes none.

The SPEAKER. The Clerk will report the conferees.

The Clerk read as follows:

Mr. WOOD of Indiana, Mr. WASON, and Mr. Sisson.

BRIDGE ACROSS THE MISSOURI RIVER NEAR KANSAS CITY.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent that Senate bill 4073 be taken from the Speaker's table and considered, a bill of similar import having been reported from the House committee and now being on the calendar.

The SPEAKER. The gentleman from Kansas calls up from the Speaker's table the Senate bill which the Clerk will report.

The Clerk read as follows:

A bill (S. 4073) to authorize the construction of a bridge across the Missouri River near Kansas City.

Be it enacted, etc., That the Missouri Valley Bridge & Iron Co., a corporation organized under the laws of the State of Kansas, its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a highway, trolley, and railroad bridge and approaches thereto across the Missouri River at a point suitable to the interests of navigation between the Chicago, Milwaukee & St. Paul Railway Bridge and the mouth of the Big Blue River, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. WALSH. Will the gentleman from Kansas yield?

Mr. ANTHONY. I will yield.

Mr. WALSH. I understand the Senate bill came over after the House bill was reported?

Mr. ANTHONY. It is my understanding that is the case; in fact, I know that is the case. Mr. Speaker, the Senate bill differs very slightly from the House bill. The House bill struck out the words "highway, trolley, and railroad" from the bill, and I have spoken with the gentleman from Wisconsin [Mr. Esch], chairman of the Committee on Interstate and Foreign Commerce, which reported the bill, and he says he has no material objection to the change. I move the previous question on the passage of the Senate bill.

The previous question was ordered.

The bill was ordered to be read the third time, was read the third time, and passed.

VOCATIONAL REHABILITATION.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House resolution 512.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918; and, after general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided between those for and against the bill, the bill shall be read for amendment under the five-minute rule; that at the conclusion of the consideration of the bill for amendment the committee shall rise and report the bill to the House, with such amendments as may have been agreed to, when the previous question shall be considered as ordered on the bill and amendments to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule makes in order the consideration at this time of a bill increasing the amount of the pay to soldier students \$20 per month, increasing the pay or allowance from \$80 to \$100 a month for single men and from \$100 to \$120 per month for married men. As soon as the necessity for this was called to the attention of the proper committees of the House this action was readily taken by the Congress. It is but another evidence of the willingness of Congress to do everything that is necessary or that it can do to enable young men who fought in the World War for the United States to prepare, in so far as it is possible to do so, to take the places they formerly occupied in the world's activities and to pursue their usual course in life in the future in the performance of their duties as citizens.

May I say in this connection that during the war and since the close of the war Congress, that controls the purse strings, has been in no sense niggardly or backward with appropriations for any purposes that had for their object the betterment of the condition of those who served in the war? If there are cases where there is ground for dissatisfaction, they do not arise from want of action on the part of Congress. Congress has in every instance made the necessary provisions. If there is failure—and there is—it is in the execution of the law rather than in the law itself. Rules and regulations are made for students who are being rehabilitated, for others who are in hospitals, for others who are otherwise provided for by the Congress, that make it practically impossible for those for whom benefits were intended, to get just what Congress intended they should get.

Mr. McKEOWN. Will the gentleman yield?

Mr. CAMPBELL of Kansas. In just a moment.

I venture there is not a Member here who has not had his attention called to cases of serious failure on the part of the Government to do its duty properly to the soldier, whether in the hospital or in the school, or wherever he may be, because of failure by those who are executing the laws and applying the appropriations that have been made by Congress. We appropriate millions for hospitals. Young men in them are treated brutally.

Mr. CALDWELL. Where?

Mr. CAMPBELL of Kansas. In Chicago, to be specific. These cases could not have been anticipated by Congress. And there is nothing that Congress can do to avoid these things. I make these statements so that it may be known that the Congress, that appropriates the money, could not follow the appropriations to those for whose benefit they were made, and see that they were used in the manner in which it was intended by Congress they should be used. Congress makes appropriations and enacts laws; it can not execute or enforce laws.

Mr. CALDWELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I will.

Mr. CALDWELL. I was very much interested in the statement that young men in the hospitals were treated brutally and the gentleman's reply to my question that it was in Chicago. I hope the gentleman will be kind enough to give the House the details of that, because I do not believe a person who is responsible for the brutal treatment of any man who is in the Army should stay in the Army or in the Government service. And I should like to put him out.

Mr. CAMPBELL of Kansas. The matter was discussed on another occasion. The facts were all clearly brought out in that discussion; the names of the soldiers and the names of the officers and the very dates and the hour of the day on which the brutality was inflicted upon the soldiers.

Mr. McKEOWN. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. McKEOWN. I want to ask the gentleman, in addition to the amount that is provided for the soldier in this, what does the soldier have to pay out of this money to maintain himself? Does he just have to pay his board?

Mr. CAMPBELL of Kansas. I understand the soldier pays merely his board and necessary personal expenses.

Mr. McKEOWN. And the tuition is provided for in addition?

Mr. CAMPBELL of Kansas. I am not prepared to answer that question specifically, but I understand many of the manual-training schools and other schools are open to these students without tuition.

Does the gentleman from Tennessee [Mr. GARRETT] desire some time?

Mr. GARRETT. I wanted to ask the gentleman a question. This rule provides for two hours' debate on the main proposition?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARRETT. There is no objection to the rule, of course. It is a unanimous report from the Committee on Rules, and I understand there is no objection to the bill. I was wondering if it would not be agreeable to the gentleman from Ohio [Mr. FESS], if I might have his attention, to amend the rule by unanimous consent and let there be one hour of debate? Let me say, if the gentleman will permit—

Mr. CAMPBELL of Kansas. I yield to the gentleman.

Mr. GARRETT. There is a bill introduced by the gentleman from Iowa [Mr. GREEN] and unanimously reported from the Committee on Ways and Means, in which I am very much interested and which is urgently important to certain interests. The urgency can be explained to the satisfaction of all the Members of the House, and I should be very glad if it could be considered this afternoon. The gentleman from Iowa [Mr. GREEN], whom I do not happen to see present just at this moment, understands the urgency of the matter, and I would be

very glad if we could arrange for that bill to be considered. I understood from the gentleman from Ohio [Mr. FESS], privately, that he doubted whether they needed two hours of general debate on this bill. If some arrangement could be made whereby the debate could be limited to an hour instead of two hours it might give the opportunity I have asked for.

Mr. CAMPBELL of Kansas. What does the gentleman from Ohio [Mr. FESS] say about amending the rule?

Mr. FESS. So far as I am concerned, it would be agreeable to me, but I have not consulted with the members of the Committee on Education.

Mr. BLANTON. I do not see why on earth we can not get through with this bill in an hour. The debate is limited to the bill, and there is no opposition to it.

Mr. CAMPBELL of Kansas. To settle the matter, Mr. Speaker, I will ask unanimous consent to amend the rule, making the general debate one hour instead of two.

The SPEAKER. The gentleman from Kansas asks unanimous consent to amend the rule by substituting one hour for general debate for two hours. Is there objection?

Mr. ROBSION of Kentucky. Will that interfere with the time that has been allotted to the various persons, I would like to inquire?

Mr. FESS. I have been asked by only three persons for time, who wanted 10 minutes apiece. That will be 30 minutes. I was expecting to take 7 or 8 minutes myself in explaining the bill.

Mr. ROBSION of Kentucky. I desire 10 minutes. If I get 10 minutes, I shall have no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the amendment is agreed to.

Mr. CAMPBELL of Kansas. Mr. Speaker, if no one desires to discuss the rule further, I shall move the previous question on the adoption of the rule.

The SPEAKER. The gentleman from Kansas moves the previous question on the adoption of the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. FESS. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918.

The SPEAKER. The gentleman from Ohio moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12266. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from West Virginia [Mr. GOODYKOONTZ] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12266, with Mr. GOODYKOONTZ in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12266. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918.

Be it enacted, etc., That section 2 of the act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, be hereby amended to read as follows:

"SEC. 2. That every person enlisted, enrolled, drafted, inducted, or appointed in the military or naval forces of the United States, including members of training camps authorized by law, who, since April 7, 1917, has resigned or has been discharged or furloughed therefrom under honorable conditions, having a disability incurred, increased, or aggravated while a member of such forces, or later developing a disability traceable, in the opinion of the board, to service with such forces, and who, in the opinion of the Federal Board for Vocational Education, is in need of vocational rehabilitation to overcome the handicap of such disability shall be furnished by the said board, where vocational rehabilitation is feasible, such course of vocational rehabilitation as the board shall prescribe and provide.

"The board shall have the power, and it shall be its duty, to furnish the persons included in this section suitable courses of vocational rehabilitation to be prescribed and provided by the board; and every person electing to follow such a course of vocational rehabilitation shall, while following the same, be paid monthly by the said board from the appropriation hereinafter provided such sum as in the judgment of the said board is necessary for his maintenance and support and for the maintenance and support of persons depending upon him, if any: Provided, however, That in no event the sum so paid such person while pursuing such course shall be more than \$100 per month for a single

man without dependents, or for a man with dependents \$120 per month, plus the several sums prescribed as family allowances under section 204 of article 2 of the war-risk insurance act."

THE CHAIRMAN. Under the rule as amended, the debate is limited to one hour. The Chair recognizes the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, the first bill passed by Congress looking to the relief of the disabled soldier was the war-risk insurance bill, which became a law October 6, 1917. That bill included a provision for a survey looking into the possibility of rehabilitation work. Following that bill an effort was set afoot that resulted in the rehabilitation bill proper, which became a law June 27, 1918. That bill afterwards was amended in a slight degree on July 11, 1919. The amendment was to transfer the question of the eligibility of a soldier making application for training from the war-risk insurance to the Federal board. It also had another amendment which was designed to simplify the eligibility item. For example, the original law provided that after the discharge of the soldier, if in the opinion of the board he is unable to carry on a gainful occupation—that is rather general—or being unable to resume his former occupation or to enter some other occupation, "or having resumed or entered upon such occupation, is unable to continue the same successfully, he shall be furnished by said board, where vocational rehabilitation is feasible, such vocational rehabilitation as the board shall prescribe and provide."

That is a very general provision of the original law, which was modified by the law of July 11, giving more latitude to the Federal board to determine the eligibility for vocational training. In that case it goes to the soldier discharged or furloughed, "having a disability incurred, increased, or aggravated while a member of such forces, or later developing a disability traceable, in the opinion of the board, to service with such forces, and who, in the opinion of the Federal Board for Vocational Education, is in need of vocational rehabilitation to overcome the handicap of such disability, shall be furnished by the said board," with so and so.

That is quite broadening in its character as compared with the original law. Under the old law the monthly allowance to the soldier was his enlisted pay, which was \$30, which was paid by the War Risk Insurance Bureau, and the Federal board added to that \$30 such amount as in the judgment of the Federal board was necessary. So up to May 1, 1919, that addition was \$35, making \$65 to the soldier in rehabilitation work. On May 1 they added \$10, which ran it up to \$75, and that continued until the amendment of July 11, 1919, when the House changed the \$75 to \$80, which is the present law.

There was an effort to put that at \$100. The Committee on Education thought it unwise and refused to recommend it. The Committee of the Whole House on the state of the Union agreed with the Committee on Education. Recently a bill was introduced by the gentleman from Pennsylvania [Mr. DARROW], the author of the former amendment, increasing the amount from \$75 to \$80, providing that the increase should be made for the single man \$100 a month and for the married man \$120 a month.

Mr. McKEOWN. Why was it that only \$20 additional was given to the married soldier over the single soldier? Was it because the family allowance goes along just the same?

Mr. FESS. Yes; they are not interrupted.

The committee opened hearings upon this increase. Personally I was rather unfavorable to it, thinking it might not be necessary. But when the evidence was brought in and very carefully sorted, and the witnesses subjected to a pretty discriminating cross-questioning, and after they had submitted their budgets, that were printed in the hearings on the request of the committee, there seemed to me to be little argument against allowing the increase.

There were 10 disabled men before the committee. Those 10 men represented 63 wounds in their bodies. There were all sorts of disabilities. We had them to submit to us an itemized cost bill of what they had to pay out, and then we brought before the committee people on the outside who had served as assistants to these people in finding places for them, and it impressed the whole committee that here was a case where, unless we made this increase, the Government was permitting these men to be subjects of charity.

Mr. McKEOWN. Will the gentleman tell us what items the soldiers are expected to pay out of these amounts?

Mr. FESS. If my friend will consult the hearings, he will find that the hearings contain, I think, 10 individual cases of budgets, and they are in a printed form which will serve the gentleman's purpose better than for me to repeat them.

This is what I would like to say to the committee at this moment: An association known as the "Carry On Club," which

was a sort of auxiliary to this rehabilitation work, testified through its chairman that they had busied themselves for months in placing disabled soldiers in quarters in the endeavor to find quarters within the range of cost which the Government gives them. These people said that was impossible to do, that they had supplied funds in a charitable way to carry on the education of these boys. The requirement for subsistence is not the same for a disabled man in training that it is for the average man. The same diet will not answer. The same clothing is not possible. The amount as well as kind differs. In the case of disabled men, the item of drugs and medicines is quite important. The place of location is also important. If \$80 per month for subsistence is sufficient for the average man in school in New York, it does not argue that it is sufficient for disabled men.

Mr. PLATT. Will the gentleman yield right there?

Mr. FESS. I yield to the gentleman from New York.

Mr. PLATT. I am a member of the committee, and I agree fully with what the gentleman is saying, but, as I recollect the hearings, there was no testimony, or very little testimony, from any other place than New York City.

Mr. FESS. That is true.

Mr. PLATT. So we do not know that the same conditions as to expenses of living apply to other places than New York or some other large city.

Mr. FESS. That is true. That was one objection that the committee had raised originally, and yet I do not know how we can legislate here and pass a law applying to one district that does not apply to the 13 other districts.

Mr. PLATT. Of course, the board has the power under this amendment to give less in places where it is not needed.

Mr. FESS. Certainly the board has the power to pay less than the maximum. They can pay less than that if, in their judgment, it is not needed.

Mr. PLATT. As a matter of fact, though, did not the testimony, so far as we had any from outside or from the board, show that the board is actually paying \$80 everywhere now?

Mr. FESS. I think that is the rule also.

Mr. PLATT. It may not be absolutely true everywhere, but so far as we had any testimony it seemed that they were paying \$80, whether it was needed or not, and there were some places where that sum was more than students generally were receiving for living expenses from their parents.

Mr. FESS. I think that is the rule of procedure.

Mr. PLATT. When the limit was \$75, was that supposed to be equivalent to all that the soldier got in the service?

Mr. FESS. Yes. The law provides when the soldier enters upon training he is to receive compensation under article 111 or allowance under the vocational act, whichever is the greater.

Mr. PLATT. I asked the War Department a while ago for a statement of just what a soldier's pay was, including subsistence, shelter, and so forth, and the answer was that the enlisted man got on an average \$75.05 a month, but of course subsistence, clothing, and so forth, were included at Government cost. If the soldiers when in the service had been compelled to buy their clothing, their uniforms, and so forth, and their food, and so forth, outside, the cost to them would have been much more than \$45, and if they had been given \$75 a month, with the requirement that they should buy for themselves the things that were furnished them, they would not have had \$30 or \$15 in cash left over. At present, in cities like New York, their testimony before our committee was to the effect that \$80 a month hardly provided the bare necessities, with no margin whatever, and often with a deficit, made up by charity or by private means. Hence, the necessity for the increase to \$100.

Mr. FESS. I am very much obliged to the gentleman.

Mr. CANNON. Will the gentleman yield?

Mr. FESS. I yield to the gentleman from Illinois.

Mr. CANNON. For how long can this vocational training last to one individual? Suppose he enters to-day. How many years can he continue?

Mr. FESS. That will have to be determined by the judgment of the board that has the administration of the law. They tell me that they have entered a few men for a four-year course, but the average course is 10 months.

Mr. CANNON. That is by regulation of the board?

Mr. FESS. Yes.

Mr. CANNON. Suppose a man enters to learn one trade and fails. Can he come in again?

Mr. FESS. That depends entirely on what the board will do. We need wise administration on it.

Mr. CANNON. What will a married man with five children get while he is taking vocational training?

Mr. FESS. He gets the same as his compensation under the war-risk insurance, and as I remember that is \$5 per child.

Mr. CANNON. I think it increases, does it not?

Mr. PLATT. It is increased to the amount of \$5 per child.

Mr. DARROW. Fifteen dollars for the wife.

Mr. FESS. I have it here.

Mr. CANNON. That is, \$15 for the wife, and I think it increases as the number of children increases.

Mr. FESS. That is in section 3. I have it here.

Mr. McKEOWN. Ten for the first child and \$5 for each additional child.

Mr. FESS. I have it here. If there is no wife but one child, \$5. If there is no wife but two children, \$12.50. If there is no wife, but three children, \$20. If there is no wife but four children, \$30, and \$5 per month additional for each additional child.

Mr. CANNON. Then the success or failure of this whole matter depends upon the Vocational Board, which has plenary power?

Mr. FESS. The gentleman has stated it correctly.

Mr. CANNON. How many people are receiving vocational training?

Mr. FESS. The report to-day is that there are 32,166 in training, something like 60,000 approved ready for training, and 136,000, in round numbers, supposed to be eligible in the entire list who will some day become beneficiaries of the law.

Mr. CANNON. The gentleman states in his report that this will cost \$5,000,000. Does that mean \$5,000,000 a year?

Mr. FESS. Five million dollars for the year.

Mr. CANNON. This increases the present law by \$5,000,000 a year?

Mr. FESS. I think so. That is the nearest estimate I could get. Now, if my friend will allow me, there is some dispute whether we ought not to give training with compensation to every person who has a disability of whatever per cent. I asked the Federal board the other day, in this investigation, what would be the estimated cost if we should do that, and I was staggered when I was told that it would amount to something like \$450,000,000 for the four years.

Mr. CANNON. While they are taking vocational training is this all they get? Or do they get compensation?

Mr. FESS. Their compensation is not reduced.

Mr. CANNON. Then they get full compensation for all injuries that they receive, and \$100 a month for a single man, \$130 a month for a married man, with an allowance for the children. Has the gentleman made a calculation as to what the average would be?

Mr. FESS. Let me yield to my friend, the gentleman from Kentucky [Mr. ROBSON].

Mr. ROBSON of Kentucky. I feel that my colleague did not get the question of the gentleman from Illinois when he answered that they did draw the compensation.

Mr. FESS. They draw whichever is the larger.

Mr. ROBSON of Kentucky. Under the law the vocational pay would be the larger, and they would not get any war-risk compensation.

Mr. CANNON. They can not get both?

Mr. ROBSON of Kentucky. They can not get both.

Mr. FESS. I misunderstood the question of the gentleman from Illinois.

Mr. CANNON. They can choose whichever is the larger?

Mr. FESS. Yes; that is the law.

Mr. CANNON. I believe the gentleman has stated how much it will take to carry out this law.

Mr. FESS. Yes; I think it will not be less than \$5,000,000 a year.

Mr. CANNON. And that will run for a period of five years?

Mr. FESS. I can not see how it could run for five years. The most of them have entered for three, and some have entered for four years.

Mr. CANNON. But they can enter for five or six years?

Mr. FESS. No; I do not know any course that would allow five years.

Mr. CANNON. The total number of people in and people that have come in is what?

Mr. FESS. One hundred and thirty-six thousand all told.

Mr. CANNON. Those in and those who have been passed?

Mr. FESS. Yes.

Mr. CANNON. And others are eligible for admittance?

Mr. FESS. One hundred and thirty-six thousand is the estimate, and if it is a correct estimate there are not any others.

Mr. BRIGGS. Will the gentleman yield?

Mr. FESS. I will.

Mr. BRIGGS. Is that under the law as it reads now?

Mr. FESS. Yes.

Mr. BRIGGS. And not under the proposed 10 per cent disability provision.

Mr. FESS. No; if you include that it would run away up. I think Members will catch this distinction. Under the war-risk insurance act they are classified in section 2 and section 3. The administration of the law does not allow compensation in the form of allowances to those taking section 3. If you remove that and say that everybody that gets training shall be paid compensation, you are going into a big field.

Mr. BRIGGS. Why is it at this time in 1920 there are 60,000 approved applicants and no action apparently in giving the men the needed training?

Mr. FESS. There are several explanations for that. One is that the industrial situation is so inviting to people looking for work that they do not take the training. I am told that there are 28,000 not in training, not the fault of not being able to place them, but they are not making applications to enter; they are in something else.

Mr. BRIGGS. Already employed in profitable employment?

Mr. FESS. Yes. Now, Mr. Chairman, it will be necessary for me to reserve the balance of my time.

Mr. BLANTON. Mr. Chairman, I ask recognition for 30 minutes in my own right for the minority of the committee, unless some one is opposed to the bill. If so, he would be entitled to be recognized. If there is no one, I ask to be recognized.

The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. TOWNER], a member of the committee.

Mr. TOWNER. Mr. Chairman and gentlemen of the committee, I presume members of the committee will regret that it is necessary to increase the allowance provided in this amendment. Not because they would not desire to help the wounded soldiers but because of the fact that we have a depleted Treasury, and any further encroachment upon it is of course to be deplored.

However, it is not a theory that confronts us but a condition. From practical experience and from the knowledge that has been gained by the conditions that exist, with these boys in training, it is found that it is absolutely necessary unless we throw these men over to charity. It is unfortunately true that thousands of these boys who have been placed in training have been receiving charitable contributions in order to carry them through their training period. The Elks Association, with a splendid feeling of generosity, in the first place set aside \$100,000 for the purpose of making a revolving fund that might be loaned to these soldiers. Afterwards it was found that it should be and was increased to \$200,000. It was found that a great many of these boys who were receiving training could not maintain themselves and their families with the utmost scrupulous economy unless they received assistance from others.

The Red Cross loans money to them. They have received loans from other generous societies and individuals in order to help them through the training period. So we are obliged in common decency to put these boys in at least a fair and reasonable condition of independence regarding the time that they are in training or else abandon the proposition entirely.

Mr. LONGWORTH. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. LONGWORTH. Will the gentleman state how the amounts proposed by the bill compare with those in Great Britain for similar vocational training?

Mr. TOWNER. No; I can not. In Great Britain the efforts of the Government are very largely supplemented and probably more than doubled by private contributions. They receive the help necessary to carry them through the period of training. In fact, they are taken care of in Great Britain very largely by private associations, patriotic associations that do not call themselves charitable associations, but, nevertheless, it is charity.

So we have brought in this amendment for a fair and reasonable increase in the allowance to these young men during the period when they are in training. We have increased the allowance \$20 a month. The average length of time which these boys occupy in training and which will require this compensation is about 10 months. Of course, during that period of time they are practically withdrawn from all power to assist themselves or to earn any money themselves. There is an exception to that where they receive training in factories with those engaged in mechanical business. As they are able to do some work along with their training, they receive some pay for it.

It is a fine thing to note the support which this bill is receiving from Congress. It was unanimously reported from our committee and it will be unanimously passed by the House. We

all feel that no matter what it may cost, no matter what effort may be required, the representatives of the people will do everything that can be done to rehabilitate the wounded soldier and make him a self-supporting, independent American citizen, honored because of his service, and still more greatly honored because of his sacrifice.

Mr. BLANTON. Mr. Chairman, in view of the history of this legislation and of the present necessity for bringing in this amendment, it is very interesting to note what the President of the United States said in his veto message sent to Congress on July 11, 1919. I want to read that veto message, because it throws a good deal of light upon the present situation. I read from page 2493 of the RECORD of July 12, 1919:

SUNDRY CIVIL APPROPRIATION BILL—VETO MESSAGE.

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I find myself obliged to return H. R. 6176, "An act making appropriations for the sundry civil expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes," without my signature, because of certain items of the bill which seem to me likely to be of the most serious consequences. Under the vocational rehabilitation bill, which became law June 27, 1918, the Congress has sought to fulfill the expectations of the country that their soldier, sailor, and marine disabled in the recent war should be given an opportunity to secure at the expense and under the fostering care of the Federal Government such training as he needs to overcome the handicap of his disability and to resume his place as a civilian able to earn a living upon something like equal footing with those with whom he was associated before he made his great sacrifice for the honor and defense of the country.

The work of rehabilitation under this admirable law is now at its height, and was to have been given greater speed and certainty by the amendment to section 2 of the vocational rehabilitation bill, which I have to-day signed, and which places the whole responsibility for vocational training in a single agency, virtually transferring from the War Risk Insurance Bureau to the Federal Board for Vocational Education \$6,000,000 with which to support disabled men in training at the generous figure of \$80 a month for a single man and \$100 a month for a man and his wife.

It is a matter of very grave concern, therefore, that at the very moment when these disabled men are coming in constantly increasing numbers to the Government to avail themselves of this generous plan that there should appear in the sundry civil appropriation bill, which I now return, limiting clauses which will do much more than seriously cripple and retard the beneficial work of restoring these men to useful and contented lives. Those clauses would probably, in fact, if put into effect, nullify the whole purpose of the act and render its administration practically impossible. The section of the bill which I now return, which governs the appropriation for this work, provides the sum of \$6,000,000 for all the expenses of rehabilitation, including the support of the disabled men in training, and this sum is stated to be "in lieu of the appropriation contained in the act approved July —, 1919, amending section 2 of the act approved June 27, 1918." Inasmuch as there are already over 4,000 disabled soldiers, sailors, and marines in training, and inasmuch as another 4,000 will be put into training now that the amendment to section 2 has become law, it is clear that even at the rate of only \$80 a month a sum approximating \$8,000,000 will be required for the mere support of these men, and that under the present appropriation nothing will be available for their tuition and travel or for placing them where they can earn a living, and it will be impossible to meet the needs of the new thousands who are every week seeking the benefits of the rehabilitation act. In the offices of the board in the District of Columbia and in 14 great centers of the United States immediate help is being given to men in need of these services, and these offices are used for the essential purpose of keeping accurate records, of providing proper medical survey of the men, of caring for them in their illnesses, and for various administrative costs inseparable from difficult work of this kind, which must, in the present circumstances, reach to every corner of the United States.

Furthermore, the same section of the sundry civil bill places such limitations upon the salaries which the Federal Board for Vocational Education is permitted to pay that it will inevitably result in the loss by the Vocational Board of a very large number of men who have made themselves especially valuable, and, indeed, indispensable, in this new work by reason of their native ability, their proven general experience, and their special training, and to whose advice the disabled men must look as well as for superintendence in the matter of training and employment. Among these are the vocational advisers, whose special duty it is to study the men in the hospitals, confer with them, and lay out their vocational plans. These hospital cases must, if these men are to be dismissed or allowed to resign, get along entirely without such advice and supervision until they have been able, after their discharge, to make their way on their own initiative to the distant offices of the Federal board.

These serious limitations upon the amount of money available and the uses to which it is to be put involves, therefore, an actual disruption of a carefully built up service at the very moment when the disabled soldiers, sailors, and marines now in the country or returning to it are most immediately in need of help. This is a matter of the gravest consequence. It can not but have far-reaching and disastrous effects upon the plan so carefully thought out for the immediate and thorough rehabilitation of men in the service of the country.

I want my good friends on the other side now to note the admonition that the President gave to Congress on July 11, 1919:

I therefore return the bill with the hope that the Congress will reconsider this section of the law, restore the six millions appropriated under the act amending section 2, and most liberally revise the salary limitations, so that this beneficent work may go on and go on at once. I am convinced that in this matter I speak the sentiments and the hopes of those who have most carefully studied the needs of the returning soldiers and who are best qualified to carry out a purpose which I am sure the country has very much at heart.

WOODROW WILSON.

THE WHITE HOUSE,
11 July, 1919.

Mr. Chairman, I am not going to engage in anything which even smacks of partisanship, but if there has been any want of efficiency for lack of funds or suffering for lack of proper allowances, what would there have been had this bill been signed by the President and had he not vetoed it and returned it to the Congress in order that proper appropriation could be made for the work which he outlined? Did not the President have vision at that time which took into consideration the very obstacles which have appeared in the hearings before our Committee on Education, which have been going on for several weeks? What would have happened to our disabled men had they been denied the money which was absolutely necessary, and which the President himself caused to be provided by Congress by vetoing and sending back to this House and to the Senate the entire sundry civil appropriation bill, with all of its many appropriations, in order that this one single item might be corrected and increased? I merely call that to the attention of my partisan friends on the other side of the aisle, hoping that in consideration of the peculiar circumstances of this case in the future they will leave out of their many arguments on the floor so much partisanship with respect to the Democratic administration and especially the action of the President of the United States.

I am glad that there is no opposition to this bill. The hearings before our committee show that the men can not exist on the present allowance that has heretofore been allowed them in cities like New York and elsewhere. They could not get the actual necessities of life in such places. I am glad that this bill will go through without opposition. No opposition has appeared on the floor up to this time.

I yield five minutes to the gentleman from Pennsylvania [Mr. DARROW], the author of the bill.

Mr. DARROW. Mr. Chairman, I do not think there is any necessity for argument on this bill. A plain statement of fact is all that is required to insure its unanimous passage by this House, for I assume that every Member of the House is sincerely solicitous of the welfare of the wounded and disabled soldiers, sailors, and marines who have taken part in the recent war. I assume that everyone wants to see them rehabilitated so that they can return to civil life and become self-sustaining and self-respecting members of society, and I also assume that everyone familiar with present living conditions—and I think we have had some personal experience—knows that the present amount allowed by the Government under the act of July 11, 1919, is not sufficient to meet the high cost of food, clothing, lodging, and other necessary expenses they may have to meet, particularly in the large centers of population, like New York, Philadelphia, Washington, Chicago, and other cities, where most of this training is carried on.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. DARROW. Yes.

Mr. BRIGGS. The gentleman from New York a few moments ago asked if the board was not allowing the full maximum amount of \$80, which is provided under the present law for a single person and \$100 for a married person. Is it not the gentleman's observation that the full amount allowed is necessary?

Mr. DARROW. I should imagine that the full allowance would be necessary in any place where these boys are undergoing this training. Whether the increased allowance will be I do not know.

I introduced this bill at the request of the American Legion. It was framed in accordance with the provisions of a resolution passed at their convention in Minneapolis. It is the first official request that has come to Congress from that body. It has been approved by the veterans of foreign wars and by nearly everyone, so far as I know, who knows anything about this situation. The Committee on Education, which granted us a hearing, came to a unanimous conclusion that we had proven our case and reported it out of committee without a dissenting vote and recommended its passage. The Committee on Rules was also unanimous in reporting a rule for its prompt consideration, because they thought it was urgent, if we want these men to continue the training they are now taking, to have this bill immediately enacted into law.

Mr. BRIGGS. Does not the evidence before the Committee on Education absolutely establish the fact that it is necessary?

Mr. DARROW. Absolutely. The question was asked a few moments ago what other countries are paying. My recollection is that in Canada men who are receiving this rehabilitation training are receiving \$165.83 per month, made up, of course, in various ways. That was brought out before the Committee of the Whole when we had the former bill under consideration.

I tried then to have an amendment adopted to it which would grant approximately the amount which we are now

seeking to establish in this bill. This is none too much to meet the requirements of these men. I want to direct your attention to the budgets submitted to the committee by the young men who are taking courses of training; some of them are printed in the hearings. It is true that they apply to conditions prevailing in Philadelphia and New York, but like conditions are found in most of our cities. In these budgets they have shown only their unavoidable expenses down to the penny, and had they not received outside aid from such splendid organizations as the Carry On Association, the Rocky Mountain Club, the Red Cross, and other benevolent institutions they would have been forced to give up long ago.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DARROW. Can the gentleman from Ohio yield me a little more time?

Mr. FESS. Mr. Chairman, I regret very much to say that I have no time to yield.

Mr. BLANTON. Mr. Chairman, I yield the gentleman one minute more.

Mr. DARROW. Mr. Chairman, I thank the gentleman from Texas very much, but I can not make much further statement in one minute. I wanted to say that this had been confirmed by the testimony of Mrs. Wendell Phillips, president of the Carry On Association, and Mr. John Hays Hammond, president of the Rocky Mountain Club, representatives of the American Legion, and the Veterans of Foreign Wars. The evidence showed that the Carry On Association was furnishing food and lodging at wholesale cost without any overhead charges, and then the expense per man was \$100.33 per month.

I have received many appealing letters from all over the country, letters that touch the heart and excite the sympathy of every appreciative American. These letters often tell a pathetic story of wounds that prevent their return to their old vocation. These brave men who have suffered so much do not want to be wards of charity; they simply ask to be placed where they can again be an asset to their country in civil life. But, gentlemen, it is not necessary for me to appeal to your sympathy; your good judgment and sense of right will impel everyone present to vote for the passage of this bill, and everyone absent would also vote for it if present. These men have suffered much, and it is our patriotic and solemn duty to bind up their wounds and replace the scars of battle by opening the door of new opportunity.

By unanimous consent Mr. DARROW was granted leave to revise and extend his remarks in the RECORD.

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from New York [Mr. O'CONNELL].

Mr. O'CONNELL. Mr. Chairman, I want to thank my colleague from Texas [Mr. BLANTON], who, despite the limited time at his disposal, has very courteously allowed me a few moments in which to be heard on this bill. The bill seeks to increase the amount of pay to soldiers who are students under the Government from \$80 to \$100 for single men and from \$100 to \$120 for married men, as follows:

A bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918.

Be it enacted, etc., That section 2 of the act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, be hereby amended to read as follows:

"SEC. 2. That every person enlisted, enrolled, drafted, inducted, or appointed in the military or naval forces of the United States, including members of training camps authorized by law, who, since April 7, 1917, has resigned or has been discharged or furloughed therefrom under honorable conditions, having a disability incurred, increased, or aggravated while a member of such forces, or later developing a disability traceable, in the opinion of the board, to service with such forces, and who, in the opinion of the Federal Board for Vocational Education, is in need of vocational rehabilitation to overcome the handicap of such disability shall be furnished by the said board, where vocational rehabilitation is feasible, such course of vocational rehabilitation as the board shall prescribe and provide.

"The board shall have the power, and it shall be its duty, to furnish the persons included in this section suitable courses of vocational rehabilitation, to be prescribed and provided by the board; and every person electing to follow such a course of vocational rehabilitation shall, while following the same, be paid monthly by the said board from the appropriation hereinafter provided such sum as in the judgment of the said board is necessary for his maintenance and support and for the maintenance and support of persons depending upon him, if any: *Provided, however,* That in no event the sum so paid such person while pursuing such course shall be more than \$100 per month for a single man without dependents, or for a man with dependents \$120 per month, plus the several sums prescribed as family allowances under section 204 of article 2 of the war-risk insurance act."

It is a most commendable piece of legislation, one that is certain to enlist the support of the Congress, regardless of party, and one that will bring the greatest good to the greatest number. It is gratifying to note a disposition on the part of this body

to help the disabled soldier of the World War to help himself. Every Member of this House remembers that on July 12, 1919, the President of the United States returned to Congress the sundry civil bill with his veto, predicated upon the fact that it did not provide adequately for the vocational rehabilitation of the soldiers of the World War. I quote, in part, from that veto message:

It is a matter of very grave concern, therefore, that at the very moment when these disabled men are coming in constantly increasing numbers to the Government to avail themselves of this generous plan that there should appear in the sundry civil appropriation bill, which I now return, limiting clauses which will do much more than seriously cripple and retard the beneficial work of restoring these men to useful and contented lives.

I rejoice that we are all now in accord in our efforts to adequately provide for these men; that we recognize the debt we owe for the inestimable work they did and the sacrifices they made for the benefit of mankind. So far as I am able to ascertain, there is no opposition to the bill on either side of the House. I do not see how there could be after listening to the statements made on the floor to-day, to the effect that many of these disabled heroes pleaded their own cause before the Committee on Education, and that as a result that committee unanimously voted to report the bill now before us bearing the name of my distinguished friend and colleague, the gentleman from Pennsylvania [Mr. DARROW], who possesses to an exceptional extent the esteem and admiration of this House. As one who believes that there is no gift within the ability of the Nation sufficiently adequate to compensate these men for their service to their country, I earnestly hope and trust that this bill will pass by acclamation. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from Kentucky [Mr. ROBSON].

Mr. FESS. I will yield the gentleman five minutes.

Mr. ROBSON of Kentucky. Mr. Chairman, the first bill passed by Congress looking to the relief of disabled soldiers was the war-risk insurance bill, which became a law October 6, 1917. That bill included a provision which contemplated vocational rehabilitation for our disabled soldiers and sailors.

Under the original act, no disabled soldier or sailor could receive more than \$65 per month with which to pay his expenses while taking training. The new Republican Congress met in May, 1919, and in July, 1919, the original act was amended, which provided that single men could receive as much as \$80 per month and married men \$100 per month, with allowances for their wife and children, while taking this training—that is, \$15 per month for the wife, \$10 for the first child, and \$5 per month for each additional child. If there is no wife, but two children, \$12.50 per month. If there is no wife, but three children, \$20 per month. If there is no wife, but four children, \$30 per month, and \$5 per month additional for each additional child.

INCREASE OF \$20 PER MONTH.

This bill proposes to increase the allowance for each single man and married man \$20 per month, so that the single man may receive as much as \$100 per month and the married man as much as \$120 per month, with the allowances for wife and children heretofore spoken of, to pay his expenses while taking training. The Vocational Board may limit them to the actual amount necessary to meet their expenses while taking this training. Is this increase necessary? Our Committee on Education, which reported this bill to the House and is now urging its passage, took a great deal of testimony from persons who were competent to speak on this subject. We had the representatives of soldiers who are taking the training in 53 colleges and training schools. They produced itemized budgets showing their necessary expenses. There also appeared before our committee national representatives of the American Legion, World War Veterans; Mrs. Wendell Phillips, president of the Carry On Association for World War Soldiers; Hon. John Hays Hammond, representing the Rocky Mountain Club; Mr. E. H. Hale, representing the Veterans of Foreign Wars; representatives of the Elks Lodge and other charitable and welfare associations. All of these organizations have been actively engaged in this vocational work in behalf of the disabled soldiers. All of them have made a careful study of this question. They prove conclusively the necessity for this increase. They all indorsed this bill and urged its immediate passage.

It was proved beyond doubt that a great many disabled soldiers and sailors were forced to give up their training because the sum allowed under the present law was inadequate to pay their expenses while taking training. In many other instances the Elks Lodge, the Carry On Association, the Rocky Mountain Club, and other fraternal and charitable organizations had to loan money or contribute money to our disabled soldiers and sailors in order that they might meet their expenses while taking this training.

OUR DISABLED HEROES SHOULD NOT HAVE TO DEPEND UPON CHARITY.

While I greatly appreciate these efforts and contributions and applaud the purpose of the Elks Lodge, the Carry On Association, the Red Cross, the Rocky Mountain Club, and other charitable and patriotic organizations for and in behalf of the disabled soldiers and sailors of the World War, yet since these boys became disabled in defense of our common country this great, rich Government of ours should so generously provide for these disabled heroes that it will not be necessary for them to depend upon the generosity or charity of any organization or association. [Applause.]

OUR DUTY—A GREAT PURPOSE.

Hundreds of thousands of men crippled and broken in health in defense of the Union returned to their homes in the Civil War and were forced to drag their lives out in that disabled condition without training and without being able to return to civil employment and earn support for themselves. This same condition prevailed after the Spanish-American War and other wars of our country. One of the very greatest thoughts of the century is the purpose of the American people to retrain, rebuild, and rehabilitate the men who became crippled and disabled in the defense of our country. An enlightened humanity throughout the ages must applaud this great purpose. It must be approved, and will be approved, as a sound economical policy of the Government. These boys have not only returned to us broken in body but greatly depressed in mind and spirit. They can not return to their usual vocations and professions. Everything looks dark to them. Let us give to them this training. Let us point the way to them whereby through this training they can earn more money and be more useful to the Nation than they were before they entered the service. Let us develop to the fullest their minds and hearts, that part of their being which is divine and which is in the image of God himself. Let us fire them with a new ambition and inspire them with a new hope and courage. Let us prepare them to win victories in peace for our Nation equally as glorious as they won across the sea. Something has been said on the floor of the House to-day about the depleted condition of our Treasury. This is a matter of deep concern to every thoughtful Member of this House. If our soldier boys can gather enough courage to begin the struggle of life over again under their great handicaps, the American people should not think about the money or labor necessary to retrain these disabled boys. We owe to them a debt of gratitude which we can not fully repay, let us do ever so much. Our duty is the first and highest consideration. It should be a labor of love to every true American to reward to the fullest those who gave so much and sacrificed so much and triumphed so gloriously in the defense of our country. [Applause.]

IS THIS TRAINING NECESSARY AND WILL IT BE A SUCCESS?

We must look at this question from the viewpoint of the disabled boy. Our soldiers and sailors were the pick of the Nation, both physically and mentally. Nearly all of them were trained for certain work. They were taken from the farm, the factory, the mine, the office, the store, the school, and every other walk of life. They went forth full of ambition and hope, but the young man who was splendidly fitted for farming has given a leg, an arm, or both legs and arms to his country. He has a good mind, but he can no longer be a farmer. The purpose of this law is to allow him a sufficient sum to pay his expenses while he is learning to be a bookkeeper, teacher, or learning some other trade or profession suited to his present condition.

Here is a young man who had fitted himself for teaching or office work. He was gassed. His lungs are affected. He has a touch of tuberculosis. He must have the open air. He is not able to return to his indoor employment. He must now be trained to be a farmer, forester, gardener, civil engineer, or some other work that will enable him to make his living in the open air.

Here is another young man that has been disabled in some way, but if he were trained he would make a fine wireless operator. Here is another young man that would make a fine automobile mechanic, another a machinist, a draftsman, a druggist, or a factory foreman, mine foreman, or timekeeper, if he had the training.

There are about 130,000 of our soldier boys that were so crippled or whose health has been so much impaired that they can not return to their usual vocations, trades, or professions, and they must be trained for some other trade or profession suitable to their physical condition and for which they appear to be best fitted. Now, the purpose of this law is to provide the necessary expenses for these disabled boys while they are taking this training. The average time required for these boys will be about 12 months, and the average cost per man will be something like \$1,800, and, altogether, it will cost the Govern-

ment something like \$250,000,000 if all of these boys take the training. This money will be well spent. It will make these splendid boys self-sustaining and self-respected American citizens. It will inspire them with new hope and courage, and, above all, we shall in a small measure repay a part of the great debt of gratitude which our country and we owe to the proudest, best, and bravest army that fought on either side in the recent World War. Not a single vote should be, and I feel not one vote will be, cast against this bill.

Mr. FESS. We have only one more speech.

Mr. BLANTON. I yield such time as the gentleman from New York [Mr. DONOVAN] wants to use.

The CHAIRMAN. The gentleman from New York is recognized for seven minutes.

Mr. DONOVAN. Mr. Chairman and gentlemen of the committee, I think that the necessity for this legislation is epitomized in the statement of Mr. Crampton, a wounded soldier, who appeared before the Committee on Education, and which statement is on page 31 of the hearings, under date of February 17, 1920.

I read therefrom:

I feel that we are all very, very thankful to the Carry On Association for all they have done for us, but we feel that the Government has fallen down; that is our feeling, and that it should not be necessary for us to have money advanced to us by the Carry On Association, or anyone; the Government should do that.

What is the situation here, gentlemen? It is this: Here is this young disabled soldier, who lived under the auspices of the Carry On Association, of New York, which is an association incorporated under the laws of New York, and runs its business not for a profit but alone for the benefit of the disabled soldier. Its sole and entire object is to furnish a suitable place for the maintenance, housing, and furnishing laundry needs for the crippled man.

Who else is doing this work that the Government should do? It is the Red Cross and kindred organizations. The Benevolent and Protective Order of Elks has done its full share. What has it done? Why, gentlemen, if you needed any argument to clearly show you the necessity for this legislation, you need but read the hearings to learn what we of the committee know, that that great order has made advancements amounting to over \$300,000 to these crippled boys, to house, and maintain them during the period of their rehabilitation training, simply because these boys were unable to support themselves under the Government maintenance allowance.

The gentleman from Kentucky [Mr. ROBSON], in reply to the gentleman from Texas [Mr. BLANTON], said in substance that at the time the President sent in his message, giving his reasons for vetoing the sundry civil bill, that the message did not disclose the degree of benefit for the crippled soldier which the gentleman from Texas claimed for it.

In reply I would say that the words of the President used at that time, giving the reason for his veto, to me, now seem almost prophetic.

Let me read from pages 2493-2494 of the CONGRESSIONAL RECORD of July 12, 1919:

Inasmuch as there are already over 4,000 disabled soldiers, sailors, and marines in training, and inasmuch as another 4,000 will be put into training now that the amendment of section 2 has become law, it is clear that even at the rate of only \$80 a month a sum approximating \$8,000,000 will be required for the mere support of these men, and that under the present appropriation nothing will be available for their tuition and travel or for placing them where they can earn a living, and it will be impossible to meet the needs of the new thousands who are every week seeking the benefits of the rehabilitation act.

Furthermore, the same section of the sundry civil bill places such limitations upon the salaries which the Federal Board for Vocational Education is permitted to pay that it will inevitably result in the loss by the Vocational Board of a very large number of men who have made themselves especially valuable, and, indeed, indispensable, in this new work by reason of their native ability, their proven general experience, and their special training, and to whose advice the disabled men must look as well as for superintendence in the matter of training and employment. Among these are the vocational advisers, whose special duty it is to study the men in the hospitals, confer with them, and lay out their vocational plans. These hospital cases must, if these men are to be dismissed or allowed to resign, get along entirely without such advice and supervision until they have been able, after their discharge, to make their way on their own initiative to the distant offices of the Federal board.

We are to-day confronted with this condition. The Committee on Education is holding hearings on the alleged or real falling down in the administration of the law by the Federal Board for Vocational Education. The reason, in my opinion, why the hearings are held is that because of the shortsightedness of the Congress in limiting the appropriation, as referred to in the message of the President, that the trained men who were then administering the law soon thereafter severed their connection with this work, and this is largely responsible for the condition of which we to-day are hearing great complaint.

The Carry On Association, of the city of New York, spent over \$150,000 in its great work in dealing and caring for over 2,000 wounded service men; has conclusively demonstrated that under its management, buying all its supplies at wholesale, with no overhead charge, with the employment of one of the best business systems imaginable, that it costs to feed, house, and care for a crippled man while in training, without a cent for clothing or pocket money, \$67.38 a month.

It will be readily seen that \$80 a month is wholly inadequate when maintenance is to be supplied at the retail price in such cities as New York, Chicago, Boston, and Philadelphia.

It is a most commendable work, in which these great volunteer organizations are engaged, but the words of our young friend Crampton are potent with meaning when he says, "We feel that the Government has fallen down."

This condition should not prevail, and yet if it were not for these great organizations which have stepped into the breach these boys who have given the best they had to save the country, and have come through the crucible of war crippled and maimed, would have been practically destitute, and should have been provided for by the Congress representing the grateful American people.

We can now, however, retrieve to some extent what faults may exist by insufficient legislation to date by the passage of this proposed amendment, which gives both the single and the married man a \$20 maintenance increase. [Applause.]

Mr. BLANTON. Mr. Chairman, I have two minutes remaining. I want to remind the gentleman from Kentucky [Mr. ROBSON] of the record. What was known as the Buchanan motion when this bill came back to the House under the President's veto would have provided \$12,000,000 for this work. The gentleman from Wyoming [Mr. MONDELL] offered a substitute to make it \$8,000,000 instead of \$12,000,000, and the vote came on a roll call on the Mondell substitute for the Buchanan motion. Let us see what the vote was in that respect. The question was whether there should be \$8,000,000 or \$12,000,000, and I find my distinguished friend from Kentucky [Mr. ROBSON] voting, on page 2773 of the RECORD, for the Mondell substitute, which was adroitly framed so as to make it appear that it was giving \$8,000,000 instead of only \$6,000,000, when, as a matter of fact, the proposition of Mr. BUCHANAN would have given \$12,000,000 instead of \$8,000,000, as proposed by the gentleman from Wyoming. Here is the vote. There were 202 in the affirmative for the Mondell substitute and 184 against. This will be found on page 2773 of the RECORD of July 17, 1919. It was a partisan vote on that measure. My good friends, the Republicans, voted for the \$8,000,000 proposition, and my Democratic colleagues on this side of the aisle, who unfortunately were in the minority, to the detriment of the disabled soldiers, sailors, and marines of this country, were for the \$12,000,000. There are the facts. You can not disguise or change the RECORD, regardless of the adroitness with which the Mondell substitute was worded and framed.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FESS. I yield the balance of my time to the gentleman from Massachusetts [Mr. DALLINGER].

Mr. DALLINGER. Mr. Chairman, I am very much surprised at the attempt of the gentleman from Texas [Mr. BLANTON] to bring partisanship into this debate. Now, what are the facts as to what happened at the time to which the gentleman from Texas refers? With the passage of the Mondell amendment this House gave to the Vocational Board, for the purpose of taking care of all of these disabled soldiers, \$14,000,000, when the largest amount that had ever been asked for by the Vocational Board itself—a Democratic board, which had charge of the administration of this law—was \$10,000,000. [Applause on the Republican side.] Those are the facts. And if there is any complaint or any trouble with the administration of this law in regard to disabled soldiers, the fault lies with the Democratic administration of the law. Mr. Griffin, who comes from the city so ably represented by the gentleman from New York [Mr. DONOVAN], resigned from his post as district vocational officer of the New York district because, as he testified recently before our committee, he was dissatisfied with the way in which the Vocational Board was administering the law. Among other things, he said that he had prepared a budget showing that the Vocational Board needed \$50,000,000 for this important work, and yet the board itself and the administrative officers of the board here at Washington told the Committee on Appropriations and Congress that they needed only \$10,000,000.

Mr. RAYBURN. Will the gentleman yield?

Mr. DALLINGER. I regret that I have not the time.

And right here, Mr. Chairman, in behalf of all the Members of this House, Democrats as well as Republicans, I desire to state

most emphatically that this Congress has always been willing to vote every cent that has been asked for by the Vocational Board for carrying on the all-important work of caring for our disabled soldiers. If the board has not asked for enough money, or if the members of the board or the director have ignored the recommendations of their own subordinates and the work has been handicapped, then the fault is with the administration of the law and not with Congress.

Mr. Chairman, I desire further to make it clear that there has been no delay on the part of the Committee on Education in regard to this bill. It will be remembered that last July the President of the United States in his veto message, which has been read by the gentleman from Texas [Mr. BLANTON], said that \$80 a month was a liberal amount. The gentleman from Pennsylvania [Mr. DARROW] introduced this bill and a hearing was held by the committee in February. At that hearing a number of disabled soldiers appeared and satisfied the committee that \$80 per month was inadequate and that they ought to have \$100 a month instead of \$80. On that very day, at the close of the hearing, the committee unanimously voted to report the Darrow bill, which has now come before this House under a special rule. As one who believes that we can not do too much for these men who were disabled in the service of their country I sincerely trust and expect that it will receive the unanimous approval of this body. [Applause.]

Mr. FESS. Mr. Chairman, I ask for the reading of the bill.

The CHAIRMAN. The Clerk will read.

The bill was read in full for amendment.

Mr. FESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Fess: Page 1, line 8, after the figures "1918," insert the following: "as amended by the act of July 11, 1919."

Mr. FESS. Mr. Chairman, that is simply to complete the record. This law of July 27, 1918, was amended on July 11, 1919, and in order to make it complete we do not amend the original act but we amend the act as amended.

Mr. WALSH. Will the gentleman yield?

Mr. FESS. I yield.

Mr. WALSH. The act of July 11, 1919, has a title. Should not that be incorporated in the amendment? There might be three or four acts of July 11, 1919.

Mr. FESS. The title is simply in the form of an amendment and—

Mr. WALSH. What I am getting at is, was the act of July 11, 1919, simply an act to amend the law of July 27, 1918?

Mr. FESS. It was. It was simply an amendment.

Mr. RAYBURN. Will the gentleman from Ohio yield?

Mr. FESS. I yield to the gentleman from Texas.

Mr. RAYBURN. I would just like to make a suggestion about an amendment that I think would be very proper to put in this bill. We had the same trouble with every amendment to the war-risk insurance act until we added an amendment that the act should be cited as the war-risk insurance act. Does not the gentleman think it would be a good idea to cite each amendment by a numeral and a letter, and have it stated that "This bill shall be cited as the vocational-rehabilitation act," and then the amendment of that date? I feel quite certain it is not the last amendment we are going to have to this act. It is just a question of procedure.

Mr. FESS. My own opinion is that it is a very good suggestion.

Mr. RAYBURN. We have had various amendments to the war-risk insurance act, and we would have come very soon to the point where the caption of the bill would have taken up the whole page, but since that time all we have to write in an amendment is that "the war-risk insurance act is hereby amended to read as follows."

I was thinking that probably it would be a good thing for this bill.

Mr. FESS. I will say to my friend from Texas that the war-risk insurance act is a permanent affair and will run on for years. I doubt very seriously whether this work for the disabled soldier will not all be completed within four years and further work discontinued.

Mr. RAYBURN. I know. It is just a question of easy enactment.

Mr. FESS. If the gentleman will offer that amendment, so far as I am concerned I would be very glad to accept it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FESS. I yield.

Mr. BLANTON. For the purpose of keeping the record straight, I know the gentleman from Ohio is always fair, and I want to ask him if it is not a fact that in the final passage

of this bill there was an effort on this side of the aisle to give to this work \$4,000,000 more than the gentleman's side of the aisle finally agreed to. Is not that a fact?

Mr. FESS. I think that my friend is entirely in error.

Mr. BLANTON. The gentleman does not admit that?

Mr. FESS. No.

Mr. BLANTON. The gentleman does not admit that the purpose of the motion of the gentleman from Texas [Mr. BUCHANAN] was to make this appropriation \$12,000,000 instead of \$8,000,000?

Mr. FESS. I think that statement is correct. Some one did offer an amendment to make it \$12,000,000.

Mr. BLANTON. Then the gentleman admits that the amendment of the gentleman from Texas [Mr. BUCHANAN] would give \$12,000,000 instead of \$8,000,000?

Mr. FESS. The amendment was to give \$12,000,000, or \$4,000,000 more than was asked for. This side of the House is not dealing with public funds in that way.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. I want to ask a question. Does the gentleman from Ohio know whether there is any rule by which this allowance is discontinued? Suppose the soldier refuses to continue his studies.

Mr. FESS. That is in the law.

Mr. McKEOWN. I have had some complaint about soldiers who went in and started their studies, and then, without any apparent excuse at all, quit. Then they could not get paid.

Mr. FESS. The law requires the compensation to be cut out. In other words, that is the penalty for their not taking the vocational training.

Mr. McKEOWN. Then what takes place? Does such a man take his regular allowance under the war-risk insurance?

Mr. FESS. He does not lose his allowance under the war-risk insurance.

Mr. McKEOWN. That continues?

Mr. FESS. That continues.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. PARRISH. The allowance does not continue while he is drawing his vocational-training money.

Mr. FESS. What do you mean by his "allowance"?

Mr. PARRISH. I mean his compensation. The law provides \$80.

Mr. FESS. The law provides that he shall receive the amount that is greater. If it is the compensation, it shall be that; if it is vocational aid, it shall be that.

Mr. PARRISH. But it is only one?

Mr. FESS. Only one.

There is one question that has been raised frequently, and I think it ought to be cleared up, because there has been some misconception about it. If a man in vocational training, receiving an allowance from the Government, spends part of it while working for wages, he is not penalized by having cut off the amount he receives in wages from his allowance. That question has come up, and I understand the board does not do that.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. NEWTON of Minnesota. Assume this sort of a case: That a man was injured in the service to such an extent that he was given a 50 per cent permanent disability, entitling him to a certain specified allowance in the war-risk insurance. Now, in the event he takes up vocational training he gets the \$80 a month while he is in training?

Mr. FESS. That is just for his keep.

Mr. NEWTON of Minnesota. But does he not at the same time get his allowance from the War Risk?

Mr. FESS. No.

Mr. NEWTON of Minnesota. His disability allowance?

Mr. FESS. No; not unless the allowance that he gets from the Vocational Board is less than the other. He gets whichever is greater.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. BLANTON. His family would get the regular allowance from the War Risk?

Mr. FESS. Yes; if it is in the form of an allotment under section 2.

Mr. RAYBURN. The gentleman is talking about compensation, and the gentleman from Texas is talking about an allotment allowance.

Mr. FESS. He gets the compensation if it is larger than the aid from the board. He gets whichever is the larger.

Mr. NEWTON of Minnesota. That was my impression. But in reading the latter part of page 2 and page 3 I got the impression hurriedly that this changes that.

Mr. FESS. No; this amendment does not change the ruling of the board.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes; I yield to the gentleman from Massachusetts.

Mr. WALSH. This training is only given to discharged soldiers, is it not?

Mr. FESS. Yes.

Mr. WALSH. Do I understand that the families of men who have been discharged from the military or naval service get an allowance from the Government?

Mr. FESS. Only in case they are beneficiaries under section 2 of the war-risk insurance act.

Mr. WALSH. That is compensation.

Mr. FESS. Section 3 is compensation. Section 2 is the allowance and allotment.

Mr. WALSH. The allowance and allotment are only continued while the soldier is in the service?

Mr. FESS. We have a provision that when a person goes into the training, if he happens to have a dependent there will be an allowance made to continue for the family while he is taking the training.

Mr. WALSH. That will be the same as provided in section 2, which was operative while he was in the service?

Mr. FESS. Yes.

Mr. WALSH. Now, then, assuming a case where a discharged soldier undertakes vocational training and then decides to give it up, and the pay while under training is greater than the allowance, when he gives up the training does the compensation automatically decrease?

Mr. FESS. I understand so. The allowance for the family stops, but the compensation continues.

Mr. WALSH. I was not quite clear on that from what the gentleman said in answer to the inquiry of the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield again?

Mr. FESS. Yes.

Mr. NEWTON of Minnesota. In the event a man starts training and receives this \$80 a month allowance, and then for some reason or other drops out of the training, he ceases then to have the \$80 allowance?

Mr. FESS. Yes. That is the penalty. The law does not compel anyone to take training. If he enters and later gives it up his allowance is cut off, and rightly so.

Mr. NEWTON of Minnesota. Yes; but he is then entitled to disability compensation, to which he would be entitled previous to taking the vocational training?

Mr. FESS. He is.

Mr. NEWTON of Minnesota. Will the gentleman tell me just what method is used to notify the War Risk Bureau that this man is again entitled to compensatory allowance?

Mr. FESS. There is the very closest correlation between the two bureaus, the Vocational Board and the War Risk Insurance Bureau, and when a person drops out notice of discontinuance of the allowance to him is given whenever that penalty is announced. The board announces to the War Risk Bureau that they have discontinued. Or they apply to the board for compensation and get it that way. We find that there are persons who had taken up the work and discontinued it and then have not been receiving compensation, seemingly because they have missed connection somewhere.

Mr. NEWTON of Minnesota. I have run across those cases.

Mr. FESS. Yes; we have several of them disclosed in the present investigation now in progress.

Mr. NEWTON of Minnesota. I wondered what the reason for it was.

Mr. FESS. Evidently this is an interruption in the orderly process.

Mr. Chairman, if the committee will permit, I will say that in the investigations we have been conducting evidence has come in showing some lapses and some irregularities, just as was suggested a moment ago, but this is largely due to a clerical matter, I think not at all due to the law, and I take the time to state that I regret that my friend Mr. DONOVAN intimated that the board was breaking down due to a lack of congress-

sional support. I am sure if he would think a little longer on this matter he would be cautious about making that statement.

Mr. DONOVAN. Will the gentleman yield?

Mr. FESS. I yield.

Mr. DONOVAN. What I intended to say was that in the President's message as it was read and as I quoted it he stated that lots of good men were going to be cut off from the service on account of the limitation of salaries, and I think the gentleman will agree with me that that fact is brought out by the evidence in the hearings, that the amount of the pay was limited and therefore these men left it.

Mr. FESS. I can not agree with my friend on that.

Mr. DONOVAN. I can show it in the hearings.

Mr. FESS. And also I regret that a note of that sort should be injected here at this stage of the investigation, for the simple reason that we are making a desperate effort to make that investigation not only absolutely nonpartisan but also entirely thorough and exhaustive, and there ought not to be any statement of that sort at this stage. We have only heard one side of the story.

Mr. DONOVAN. Will the gentleman yield?

Mr. FESS. I yield to my friend.

Mr. DONOVAN. If the gentleman will recall, I did not make that statement until after the gentleman from Kentucky [Mr. ROSSON] had made some reference of a partisan character, in reference to President's message explaining his veto.

Mr. FESS. I am sorry that this element was injected.

Mr. DONOVAN. I am myself, but the gentleman from Kentucky [Mr. ROSSON] invited it.

Mr. BLANTON. Will the gentleman yield?

Mr. FESS. I yield to my friend.

Mr. BLANTON. I am sure the chairman of the committee has been so busy with other matters that he has not had time to review the many questions injected into the hearing from time to time by the distinguished gentleman from Kentucky [Mr. ROSSON].

Mr. FESS. The chairman of the committee will state that he has been in attendance upon the hearings every minute of the time and has heard all the questions. I have not reviewed them, but I heard them.

Mr. BLANTON. Did they not appear to the gentleman to be rather partisan?

Mr. FESS. That depends entirely on the angle from which you look at it.

Mr. ROSSON of Kentucky. Will the gentleman yield?

Mr. FESS. I yield to my friend from Kentucky.

Mr. ROSSON of Kentucky. I want to say that the gentleman from Kentucky refrained from referring to the investigation now being made of the Vocational Board because we had heard only one side, and in a few days we will begin hearing the other side. I want to say that I made no reference to that investigation on the floor of the House here and do not intend to make any reference to it.

Mr. FESS. I thank the gentleman for that. I think there ought not to be anything of that kind injected into the debate at this time.

Mr. Chairman, I move that the committee do now rise and report the bill to the House as amended, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GOODYENONTZ, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. FESS. The previous question is ordered under the rule.

The SPEAKER. Under the rule the previous question is ordered. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. BLANTON. Mr. Speaker, would it be out of place to let the RECORD show that the bill passed unanimously?

The SPEAKER. Any gentleman can demand a division.

Mr. FESS. I ask for a division.

The House divided; and there were—ayes 83, noes none.

Accordingly the bill was passed.

On motion of Mr. FESS, a motion to reconsider the vote by which the bill was passed was laid on the table.

SPEAKER PRO TEMPORE AT SUNDAY SESSION.

The SPEAKER. The Chair will designate the gentleman from Oklahoma [Mr. CARTER] to preside over the House tomorrow during the memorial exercises for the late Mr. THOMPSON, of Oklahoma.

TO REGULATE DEALING IN LEAF TOBACCO.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13432.

Mr. WALSH. Is that a privileged motion?

Mr. GREEN of Iowa. Yes; it is a revenue measure. Pending the motion, I should like to arrange for a division of time. We have all the afternoon before us anyway.

Mr. HULL of Tennessee. I have not heard of requests for more than about half an hour on this side.

Mr. GREEN of Iowa. Then, pending the motion, I ask unanimous consent that there be one hour for general debate; and if there is no objection, I should like to control three-quarters of an hour, with 15 minutes on the other side.

Mr. HULL of Tennessee. The gentleman from Tennessee [Mr. GARRETT] wanted 25 or 30 minutes.

Mr. GREEN of Iowa. Then I ask unanimous consent that the time be equally divided, one-half to be controlled by myself and one-half by the gentleman from Tennessee [Mr. HULL].

The SPEAKER. The gentleman from Iowa asks unanimous consent that general debate be limited to one hour, half the time to be controlled by himself and half by the gentleman from Tennessee [Mr. HULL]. Is there objection?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13432) to regulate dealing in leaf tobacco, with Mr. DOWELL in the chair.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, this bill to regulate dealing in leaf tobacco is made necessary by a situation which arises under the revenue law of 1918.

Under the revenue law of 1909, commonly known as the Payne bill, retail dealing in leaf tobacco was permitted without any tax, but there were regulations, as there are in the present bill, with reference to such dealers, requiring them to conform to certain rules prescribed in the law and other rules made by the Treasury for their regulation.

The last revenue bill was so framed that retail dealing in leaf tobacco was not permitted by anyone except the farmer or producer. He could sell it, but nobody else could sell leaf tobacco at retail. Now a situation has arisen so that the farmers who formerly dealt in leaf tobacco are unable to dispose of their product. I shall not go into the situation extensively, because it will be more fully explained by the gentleman from Tennessee [Mr. GARRETT], who comes from a tobacco district and can fully describe it.

This situation having arisen, the gentleman from Tennessee [Mr. GARRETT] introduced a bill, which was in effect the provision of the Payne bill, which permits retail dealing in leaf tobacco without any tax. The Ways and Means Committee, however, thought this kind of dealing ought not to be permitted without some tax being imposed thereon. This bill of the gentleman from Tennessee was framed to permit retail dealing in leaf tobacco by others than the farmers.

The committee will understand that the farmer and grower was always permitted to sell it at retail, and he is now. But when it passes into the hands of some other party than the farmer or the grower, then the retail dealing in leaf tobacco is not permitted. This bill so modifies the present law that this leaf tobacco may be sold at retail by the dealers by paying a tax of 7 cents a pound. This tax may seem very light, but from the testimony before the committee it developed that the trade would have to be carried on largely by parcel post, which would add a further tax amounting to from 4 to 6 cents a pound, and that very little of it would be sold in the immediate tobacco zone, almost all of it being sold at a distance. How much revenue this bill will provide no one can tell, because we have no data upon which to base any figures. But that it will produce

some revenue and permit the farmers who now have tobacco on hand to have an outlet whereby they can dispose of their product is beyond question.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Tennessee [Mr. HULL] is recognized for 30 minutes.

Mr. HULL of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT. Mr. Chairman, the gentleman from Iowa [Mr. GREEN] has explained quite clearly the purpose of this measure, but perhaps it will not be amiss to add a few words to what he has so well said. Along the northern border of Tennessee and the southern border of Kentucky, through the western and central parts of those States, there are about 25 counties in which there is produced a type of tobacco which differs from the tobacco grown in any other part of the United States or of the world. It is a coarse, heavy, dark, tobacco, and that section composed of these 25 counties is known as the black patch, as distinct from the Kentucky and Tennessee Burley and other tobacco sections or districts.

It had been my impression, and I so stated in the hearings before the Committee on Ways and Means, that not over 5 per cent of this tobacco found a market among domestic manufacturers. That was my impression, but I find upon inquiry that there is a somewhat larger amount than that which finds its way into domestic manufacture—into snuff and wrappers for a certain quality of cigar. But it is safe to say that from 75 to 80 per cent of this tobacco grown in the black patch finds no market except in European countries, principally in Italy, Austria, and France. It is a tobacco which will bear ocean shipment and which meets the taste of the population of those countries. The market for it is found there. I think I am correct in saying that 75 per cent of that which is exported goes to Italy.

Now, by reason of the depreciation in the currency of those foreign countries, by reason of the difference in exchange with which we are all familiar, it has resulted that the foreign market has been absolutely demoralized. These Governments that I have named themselves purchase this tobacco. It is a Government monopoly. The Government buys the tobacco and resells it to the consumers, deriving a large amount of Government revenue from that business. We get much of our revenue by a tax on tobacco. They do not impose a tax but have it as a Government monopoly, buy it in this country, manufacture it, and resell it to consumers in foreign countries.

Now, with not over 25 per cent at the outside for which there can be any market in manufacture found in this country, and with the foreign market demoralized on account of the condition of the currency of these countries, it results that our local market in the black patch is absolutely demoralized. To-day such little tobacco as is being sold throughout these 25 counties is being sold in the main at less than cost of production. However, there is a demand among many of the people in the United States for this tobacco in its natural state without having been manufactured or having anything done to it beyond the condition that you see in this package which I hold in my hand. And, by the way, this is known as a "hand" of tobacco.

But in order to create a demand for it a certain amount of advertising is essential, and it requires money to do that. It requires capital to be invested in order to find a market among the consumers for this natural leaf tobacco.

In the act of 1909, commonly called the Payne Act, a provision was inserted—and, by the way, Members who were here prior to that time will recall that we had a long fight in the House of Representatives—that was when I first became a Member of the House—to secure the privilege of dealing in the natural unstemmed leaf tobacco. We passed the measure, as I remember it, through the House two or three times prior to 1909, but did not succeed in securing its passage through the other body until the Payne bill was under consideration, at which time there was inserted in it a provision which admitted of this loose-leaf retail dealing without the payment of any tax whatever. In other words, an individual could go out and buy the farmer's tobacco and could advertise this tobacco and could resell it to the consumer without the payment of any tax so long as it remained in its natural condition, stripped but unstemmed.

When the revenue act of 1918 was under consideration, and during the very last days of its consideration in the Senate, an amendment was inserted which none of us discovered in the House until it was too late to remedy the situation, which absolutely destroyed the possibility of engaging in this business, except that the producer, the grower of tobacco, could himself sell his own production without the payment of any tax. This act did not impose a tax on this dealing. It simply provided in

effect that this character of dealing should not be carried on, and even though one qualified as a manufacturer he could not sell in excess of 1 pound and had to pay a tax of 18 cents per pound on that, the same as upon the manufactured product. So soon as the special session of the Congress convened in May last a number of us from the tobacco sections introduced bills designed to remedy this situation. I do not recall all of the bills that were introduced. I know that my colleagues from Tennessee [Mr. SIMS and Mr. BYRNS] and the gentlemen from Kentucky [Mr. BARKLEY and Mr. KINCHELOE] and doubtless others from the tobacco section, as well as myself, introduced measures, all of them designed to restore the law as it stood under the Payne Act of 1909 and permit this dealing to be resumed without the payment of any tax. Recently the Committee on Ways and Means kindly gave a hearing upon my bill and after considering it the committee concluded that it was equitable and proper that dealing in this character of tobacco should be permitted, but that it was legitimate that a tax should be levied and that the Government should derive some revenues from it. We, of course, are not prepared to contest the equity of that conclusion. So long as we are raising revenues upon tobacco sales I should say that much as we might desire that this dealing be permitted without the payment of any tax, yet logically and correctly a tax may be levied. Therefore the bill introduced by the gentleman from Iowa [Mr. GREEN] in lieu of the several bills pending before the committee will restore the right to one qualifying as a manufacturer to engage in this dealing and sell in packages of 3, 6, 9, 12, 15, and 18 pounds upon the payment of a tax of 7 cents per pound. That seems to be an equitable tax. The tax upon manufactured tobacco is 18 cents per pound.

The tax that it is proposed to levy on this is 7 cents per pound. There will be added to that the postage upon the packages, because the great bulk of this will be shipped by parcel post, and the postage which will be paid upon it, plus the tax that is levied, will probably just about equal or it may exceed slightly the tax of 18 cents per pound.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. TILSON. Will the gentleman state what will be the use of that tobacco? Will it be manufactured by the consumer into twist or plug, or something of that kind, and used for chewing purposes, or will it be made up into smoking tobacco? What is the market for it?

Mr. GARRETT. It will be, of course, sold to the consumer, and this bill contemplates sales to the consumers. It will be used for smoking, and chewing tobacco by those who desire to chew it. That is all that will be done with these small parcels authorized to be sold under this bill.

Mr. CANDLER. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. With pleasure.

Mr. CANDLER. This tax of 7 cents a pound is only levied on those dealing in the tobacco?

Mr. GARRETT. That is all. It will not affect the farmer.

Mr. CANDLER. Nor affect the producer of the article himself. He may sell it in such quantities as he sees proper to supply the trade he may have.

Mr. GARRETT. Yes. It does not interfere in any way with the present right of the farmer to sell without the payment of any tax the product of his own growth.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Surely.

Mr. WALSH. Will the gentleman state why it is shipped by parcel post? What is there about this tobacco that makes its shipment different than others? The gentleman said a large bulk will be shipped by parcel post.

Mr. GARRETT. By parcel post or by express. The way the business is done is this: These gentlemen who deal in it advertise extensively through the newspapers, and small quantities will be ordered, 3 pounds by this consumer, 6 pounds by this, and so on, and most frequently he will send a post-office money order to pay for it, and the dealer simply wraps it in a package and mails it by parcel post for convenience. Of course, he can send it by express or in any other way in which it can be transported.

Mr. WALSH. Then, it is not purchased by the large manufacturers in large quantities.

Mr. GARRETT. No. This bill is simply to enable sales to consumers. The gentleman from Massachusetts will understand that the relief that will be given by this is not very large, because the great bulk of the crop is purchased by those who obtain contracts from these foreign Governments for its purchase. This form of dealing will probably not be engaged in by the manufacturers; that is, those who intend to manufacture it at all.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Gladly.

Mr. MILLER. If I understand the bill, the growers of this tobacco have the privilege of selling it without the payment of a tax.

Mr. GARRETT. That is true now.

Mr. MILLER. If the growers of this peculiar form of tobacco form a sales agency among themselves and thereby market their tobacco from this sales agency, this entire agency, then, will be disposed of and this entire output of tobacco will be disposed of without any revenue to the United States Government.

Mr. GARRETT. Not at all. They may, and do now, pool their crops and employ an agent to make sales.

Mr. MILLER. That is what I understand.

Mr. GARRETT. But they must pay that agent a salary. The agent can not work, under the rulings of the Treasury Department, in any other way. Construing the act of 1918, an agent of any group of farmers can not work on a commission basis; he has to receive a fixed, stipulated, definite, well-determined salary before he can represent them, and he must keep all sales separate. That can be done now, and this does not change that law in any respect; but here will be a result of this, I think. There are men scattered throughout the black patch, who are quite anxious to engage in this dealing, and they will organize a business if they feel that they can be on something like a permanent basis, with a revenue laid, and not be apprehensive about the future, and they will immediately proceed to buy out of this year's crop, if we can get this bill passed in time, a supply sufficient to carry them over until the next year's crop will be ready.

And they having a certainty will invest their capital and advertise and pay this tax. As the situation now stands gentlemen can readily understand that it is not practicable for the farmers in any very great degree to organize their pools and employ an agent and pay him a fixed salary when they have no idea how much business he will do and thus dispose of their crops, but under no circumstances, either under the pooling and individual producer's sales, or under the operation of sales by the purchasers, as this bill will allow, or under both combined, will there be anything like half of the crop ordinarily raised in the black patch disposed of to consumers in the United States. It will continue to find its chief market in European countries, and, of course, we derive no revenue from that. This year's crop in the 25 counties is estimated to be about 175,000,000 pounds.

Mr. MILLER. Will the gentleman yield for another short question?

Mr. GARRETT. I do.

Mr. MILLER. Is it impossible under the regulations of the Treasury Department for the producer to be that sales agent?

Mr. GARRETT. A producer can be the sales agent of other producers, but he must for his services for his neighbors, if there be a group of neighbors, receive not a commission but a fixed stipulated salary, and he must keep records of his sales of the different crops separate and a record of his receipts separate in every way.

Mr. HAWLEY. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. HAWLEY. If I am correctly informed, this tobacco is grown principally by tenant farmers?

Mr. GARRETT. Well, yes; that is a fair statement.

Mr. HAWLEY. And there are some 80,000 heads of families, or families, involved in this?

Mr. GARRETT. Quite that many.

Mr. HAWLEY. And about the average amount they receive for their crop is \$700 to the family?

Mr. GARRETT. I doubt if it is that much.

Mr. HAWLEY. This is their principal means of livelihood?

Mr. GARRETT. It depends, of course, on the price at which the tobacco is sold.

Mr. HAWLEY. Take the price sold about December last.

Mr. GARRETT. Let me say this: It is the principal money crop in the 25 counties.

Mr. HAWLEY. And those tenant farmers have already borrowed money in advance to make this last crop and will owe the money, and they can not sell their crop—

Mr. GARRETT. Precisely.

Mr. HAWLEY. This will afford a means of getting a small part of their necessary living.

Mr. GARRETT. It will, and it will afford some competition, too, to these foreign buyers. If time permitted I could tell this House a story that would—

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARRETT. Will the gentleman yield me five minutes additional.

Mr. HULL of Tennessee. I yield the gentleman five minutes additional.

Mr. GARRETT. I could tell this House a story that would perhaps surprise you. Briefly, by reason of the fact that the selling market for this is found abroad and that there is what is known as the French type and what is known as the Italian type and what is known as the Austrian type, there really exists no competition at all, and buyers—that was true in the past and so far as I know may be true now—in some sections of the black patch who held the contracts to purchase for the foreign Governments will go out riding the country and purchase it, because a great deal is bought from the buyer going out from the town and going to the farmers' barn, as it is called, and making his purchases there, and it has happened again and again in my own county, so I have been informed, and throughout the various sections of the black patch, that the territory was so divided that a tobacco buyer would go to a barn upon one side of the road, look at the tobacco and make an offer upon it, and decline to cross the road and see another barn belonging to the same farmer and probably raised in the same field. So that the thing called competition in the purchase of this black tobacco is practically an unknown thing, and by the passage of this measure, if we can have reasonable assurance that it will be permanent law, dealers will build up a business, because there are innumerable persons who prefer the tobacco in just this shape for their use in their pipes and for chewing purposes, and dealers will advertise and build up a market in the United States for very considerable quantities, and the Government will be deriving a revenue which it does not now derive from sales of this character, and there will be competition.

Mr. KINCHELOE. Will the gentleman yield?

Mr. GARRETT. Yes, indeed.

Mr. KINCHELOE. As a matter of fact the gentleman knows the relief given by reason of the passage of the bill in comparison with the proportion of the great crop is infinitesimal.

Mr. GARRETT. Yes; so far as the immediate future is concerned.

Mr. KINCHELOE. But where the farmer will be benefited is by reason of the fact that the dealers work up specially this trade and can afford to pay the farmers a better price because of the special type that the consumers want.

Mr. GARRETT. There is in one town in the county in which I live a dealer who at the time of the passage of the act of 1918 had an immense quantity of tobacco on hand. He had a trade which he had built up for a number of years, and his postage bill for parcel-post packages alone amounted to more than \$100 a day on account of the quantity he was sending. That same condition was true in the district of my friend from Kentucky [Mr. KINCHELOE], and my other friend from Kentucky [Mr. BARKLEY], and the surrounding counties in my State.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARRETT. I very much hope this bill will pass, and I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT. The bill in effect simply means that persons by qualifying under the manufacturing provisions of the internal-revenue laws shall be permitted to sell unstemmed loose-leaf tobacco in packages of 3, 6, 9, 12, 15, and 18 pounds by the payment of a tax of 7 cents per pound.

Mr. HULL of Tennessee. Mr. Chairman, I yield two minutes to the gentleman from Georgia [Mr. UPSHAW]. [Applause.]

Mr. UPSHAW. Mr. Chairman and gentlemen of the committee, the man in overalls has always been my hero. I received a telegram from John W. Ham, a great friend of humanity in my home city of Atlanta, telling me that under the leadership of John A. Manget, a great humanitarian, the fair-price commissioner of Georgia, that they will organize to-morrow in the Baptist Tabernacle a club of something like 4,000, who agree simply to join hands to try to combat the high cost of living.

They ask me to wire an indorsement. Naturally I could not indorse it without practicing what I preach. So I went down town and spent \$4 for this good suit of overalls, which I am now wearing, and have wired them that I am going to urge Congress that I think it would be an eminently sensible thing and set a far-reaching example if the Members of Congress would either join the overall club or the old-clothes club, as I have done.

Mr. GALLIVAN. I wanted to ask the gentleman if he thinks that Members of Congress have \$4 apiece to spend as he has? [Laughter.]

Mr. UPSHAW. I want to say to the gentleman that if he has not the \$4, I will go on his note. [Laughter.]

Seriously—nothing sensational about this—all over the land this thing is going to be done. Let us set a good example and help still the tempest of unrest and bring a speedy return of peace to the land we love so well. [Applause.]

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. CANNON having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed without amendment the bill (H. R. 12260) to amend section 600 of the act approved September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

The message also announced that the Senate had passed with amendment the bill (H. R. 9629) for the relief of the Merritt & Chapman Derrick & Wrecking Co., in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed the following concurrent resolution:

Senate concurrent resolution 26.

Resolved by the Senate (the House of Representatives concurring), That the Speaker of the House of Representatives be requested to cancel his signature to the enrolled bills:

S. 1005. An act for the relief of the owners of the steamship *Matoa*; and S. 1222. An act for the relief of the owners of the schooner *Henry O. Barrett*.

That upon the cancellation of such signature the Secretary of the Senate be directed to reenroll said bill S. 1005 with an amendment as follows: Strike out of section 2 the following words: "That should damages found to be due from the United States to the owner of said steamship *Matoa*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*."

And further, That the Secretary of the Senate be directed to reenroll the said bill S. 1222 with an amendment as follows: Strike out of section 2 the following words: "That should damages be found to be due from the United States to the owners of said schooner *Henry O. Barrett*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*."

TO REGULATE DEALING IN LEAF TOBACCO.

The committee resumed its session.

Mr. GREEN of Iowa. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. RICKETTS].

Mr. RICKETTS. Mr. Chairman and gentlemen of the House, the charge has been openly made on the floor of this Chamber many times during this session of Congress and the previous special session, which convened on the 19th day of May last year, that the Republican majority of the House was responsible for the great army of unnecessary employees in the various departments of Government, and that owing to the failure of the majority to enact proper legislation and to reduce appropriations this vast number of unnecessary employees had not been reduced. In short, the charge is made that the Republican majority is, and has been, responsible for the gross extravagance and the unnecessarily large army of countless and inefficient employees in the various departments of Government. No claim could possibly be further from the fact. Such contention is absolutely erroneous and without the slightest foundation. I can not remain silent longer and allow this false assumption and erroneous claim to go unchallenged.

The membership of this House and the country are entitled to know the truth, and it is my purpose to give a clear statement of the actual facts and to recite the law in the short time allotted to me in which to address the House.

THE LAW.

Provisions applicable to all executive departments: Section 158 of the Revised Statutes of the United States, second edition, 1878, contains the following provisions:

The provisions of this title shall apply to the following executive departments:

"First, the Department of State; second, the Department of War; third, the Department of the Treasury; fourth, the Department of Justice; fifth, the Post Office Department; sixth, the Department of the Navy; seventh, the Department of the Interior."

It will be understood, of course, that there are now a great number of commissions and bureaus and subdivisions of these various departments. I am particularly concerned in calling attention of the House to the fact that section 169 provides as follows:

Each head of a department is authorized to employ in his department such number of clerks of the several classes recognized by law, and such messengers, assistant messengers, copyists, watchmen, laborers, and other employees, and at such rates of compensation, respectively, as may be appropriated for by Congress from year to year.

Section 194 of the same statute provides:

The head of each department shall make an annual report to Congress of the names of the clerks and other persons that have been employed in his department and the officers thereof, stating the time that each clerk or other person was actually employed, and the sums paid each; also whether they have been usefully employed, whether the services of any of them can be dispensed with without detriment to the public service, and whether the removal of any individuals and the appointment of others in their stead is required for the better dispatch of business.

Section 198 of the same statute provides:

The head of each department shall, as soon as practicable, after the last day in September of each year in which a new Congress is assembled, cause to be filed in the Department of the Interior a full and complete list of all officers, agents, clerks, and employees employed in his department, or in any other of the offices or bureaus connected therewith. He shall include in such list all the statistics peculiar to his department required to enable the Secretary of the Interior to prepare the biennial register.

The last paragraph of section 4, of chapter 3514, of the first session of the Fifty-ninth Congress, 1906, reads in part as follows:

Hereafter the heads of the several executive departments, and all other officers authorized or required to make estimates for the public service, shall include, in their annual estimates furnished the Secretary of the Treasury for inclusion in the Book of Estimates, all estimates of appropriations required for the service of the fiscal year for which they are prepared and submitted.

It occurs to me that the above provisions of the law are clear and convincing. There is nothing in any of the above sections or anywhere in the law that requires Congress to determine the personnel of any department; that duty is lodged with the head of the department. Neither is Congress required to estimate the amount of money that should be appropriated for any department. That duty also rests with the head of the department, to determine what is needed in order to carry on the work of his department in an efficient manner. It is also the duty of each head of a department to state what number of employees in his department are necessary. No one else has the authority or the ability to determine just what employees should be retained in any department in order that the work of that department may be faithfully and efficiently performed. This duty is clearly defined by the statute, and it is incumbent upon the head of each department to carry out its provisions. Under the present system of making appropriations, there is only one way by which the appropriations committee or other committees having to do with appropriations can determine what amount of money should be appropriated for any department of Government, and that is through the recommendation of the head of that department. By law it is made the plain duty of the head of the department to report to the various committees of Congress, which have the authority and power to make appropriations, the amount of the appropriations that should be made in order that his department may pay the employees therein the salaries to which they are justly and legally entitled for the services which they render. Every Member of Congress knows full well that it has been the policy of the Republican majority from the time Congress convened in special session on the 19th of May, 1919, to economize as far as possible in making appropriations, but not to reduce appropriations so as to destroy or impair in any manner the efficiency of any department.

Congress has no way of determining just what appropriation should be made except through the recommendations made by the various heads of departments to the Secretary of the Treasury, who in turn submits the claims of the various departments in a book known as the Book of Estimates. Now, it is true that Congress could refuse to make appropriations necessary to continue the personnel of the department, but in doing so Congress might easily destroy the efficiency of the personnel of that department, which would result in a great injury to governmental service; and by reason of that fact the various committees of Congress called upon to make appropriations for these various departments must, as a matter of fact, depend upon the recommendations of the head of the department as to the needs of a department.

Prior to the war there were 39,000 employees in the various departments of government. At the time of the signing of the armistice on November 11, 1918, there were 117,000 employees in the various departments of government. Inasmuch as the war was over it was generally understood throughout the country, and especially among the taxpayers of the country, that the personnel of these departments would be reduced by the heads of the respective departments, but 17 long months have elapsed since the armistice was signed and since the war was actually over and yet these various heads of departments have not reduced the personnel of their respective departments, as they should have done, under all the circumstances, which fact is known to every Member of Congress, the administration, and to the country as well. However, this has not been done. Instead of decreasing the personnel in several of the departments, the personnel has been increased; for example, on November 11, 1918, the Treasury Department had on its rolls in Washington 29,000 employees; to-day it has 37,000 employees. This is only one of many instances that I could recite as examples.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. RICKETTS. I have heard it repeatedly asserted on the floor of the House by our friends on the other side of the aisle since Congress convened on the 19th day of May, 1919, that it was up to the Republican majority to reduce the personnel of the various departments of the Government. It has been most ingeniously urged—no doubt for political purposes—that the Republican majority has been derelict in the performance of its duty; that it has neglected to enact legislation tending to reduce the great army of employees in the various departments, bureaus, and commissions of the Government under the present administration. I can not understand why our friends on the other side of the aisle do not address themselves with the same zeal to the various heads of the departments of the Government, who represent their party in the present administration. It strikes me it would have been very much more relevant for them to have urged upon the various heads of departments that they were a part of the present administration, and that it was necessary for them to reduce the personnel of their departments, because the taxpayers of the country were groaning under the great burden of taxation; that a deficit in the Treasury of the United States, under the present administration, amounting to something like \$3,650,000,000, is staring the taxpayers of the country in the face, and will have to be met in the year 1921, either through the sale of bonds or by an increase of taxes, which will add greatly to the burden that the taxpayers of the country are already bearing.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. RICKETTS. I yield.

Mr. GREEN of Iowa. As I understand it, the gentleman holds that the law explicitly states that these heads of the departments shall themselves make up the list of employees that are not necessary?

Mr. RICKETTS. That is exactly true.

Mr. GREEN of Iowa. And the reduction in the number of employees must come through the administration?

Mr. RICKETTS. Certainly. The heads of the departments have the right to increase or decrease the personnel of their departments according to the requirements of their departments.

Mr. CONNALLY. I would like to ask the gentleman from Ohio if Congress does not now have the right to limit the amount of money that can be appropriated for these employees? Could not the Congress cut off the appropriations for all the employees, irrespective of what the departments want?

Mr. RICKETTS. That is true. The gentleman is correct about that. The Congress has the right to do that, but the law requires the heads of the departments of the Government to determine the number of employees that are necessary to carry the work of their departments and requires that the heads of the departments make a recommendation to Congress as to how much money is necessary in order to carry on the work of the departments. It further requires the heads of the departments to certify to Congress whether or not any of the employees in their departments can be released or discharged, and that has not been done. [Applause.]

Mr. CONNALLY. I would like to ask the gentleman if there is any law binding Congress to accept the recommendations of these heads of the departments?

Mr. RICKETTS. Most assuredly. That is the spirit and intent of the law. That is why Congress 38 years ago passed this law. And let me say to the gentleman, if the law of 1878 was good for 38 years before the late war broke out and kept the personnel of these various departments down to 37,000, why would not that same law be sufficient after the war was over and why would not the same law cause the heads of the departments to reduce the personnel of their departments? [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. RICKETTS. I do not mean to criticize my friends, for they have rendered a very valuable service in this House in many instances during the sessions of the Sixty-sixth Congress, but I believe they are entirely mistaken in the deductions that they have made with reference to the method to be employed in order that the great army of employees in the various departments of Government might be reduced. They have evidently overlooked the fact that their party and the present administration are absolutely responsible for the unnecessary employees that are now being retained in the various departments of Government without just cause or excuse. I am sure that they want

to be fair; and I know that I have no disposition to be unfair, but I do want the people of the country to know the truth so that they can place the blame for the increase in taxation, which is sure to come in order to make up the deficit, where it really belongs.

The extravagant expenditure of the people's money by these departments in retaining this vast, useless, and unnecessary personnel is appalling and astounding. It is a colossal waste of money that must be and should be charged up to those who are responsible for the unlawful expenditure.

This Republican Congress has reduced each and every estimate for appropriations that has come before it during this session, and I defy anyone to deny it, be he Democrat or Republican, as the following statements and comparisons will clearly show:

Comparison of the amounts of the appropriation bills as agreed upon with amounts asked for and considered during the Sixty-sixth Congress.

FIRST SESSION.

Title of act.	Amounts as agreed upon, Sixty-sixth Congress, first session.	Amounts asked for and considered, Sixty-sixth Congress, first session.	Decrease of amounts agreed upon, Sixty-sixth Congress, first session, under amounts asked for and considered.
Agriculture.....	\$33,899,761.00	\$34,993,685.00	\$1,093,925.00
Army.....	772,324,877.50	1,268,322,269.04	495,997,391.54
District of Columbia.....	15,364,421.00	15,635,701.00	271,280.00
Indian.....	11,131,397.03	11,939,813.89	808,416.86
Navy.....	616,096,838.88	975,903,621.28	359,806,782.40
Sundry civil.....	605,160,207.95	964,591,556.25	359,431,348.30
Railroad deficiency.....	750,000,000.00	1,200,000,000.00	450,000,000.00
Third deficiency.....	24,305,929.40	42,764,678.94	18,458,749.54
War Risk Insurance and pension deficiency.....	45,044,503.00	45,044,503.00
Expenses incident to first session of the Sixty-sixth Congress.....	385,720.00	385,720.00
Total.....	2,873,713,652.76	4,559,581,546.40	1,685,867,893.64

¹ This amount does not include \$45,044,500, estimated in connection with the bill making urgent deficiency appropriations for the Bureau of War Risk Insurance and for the payment of pensions. Of this sum, \$42,615,000 was not estimated at the third session of the Sixty-fifth Congress, and therefore not included in the total of \$42,764,678.94, which sum does include \$2,429,500 for above-mentioned purposes.

SECOND SESSION.

Title of act.	Estimate.	Appropriation.	Saving.
Agriculture.....	\$42,098,238.00	\$30,540,034.00	\$11,558,204.00
Army.....	982,800,020.00	377,246,944.00	605,553,076.00
District of Columbia.....	20,329,428.87	18,190,487.87	2,138,941.00
Fortification.....	117,793,330.00	18,833,442.00	98,959,888.00
Indian.....	17,471,763.39	13,133,013.39	4,338,750.00
Legislative, executive, and judicial.....	122,453,685.52	106,650,016.11	15,803,669.41
Military Academy.....	6,778,637.20	2,141,712.70	4,636,924.50
Naval.....	647,631,254.80	425,289,574.00	222,341,680.80
Post Office.....	467,497,573.00	461,728,368.00	5,769,205.00
Rivers and harbors.....	48,841,565.00	12,000,000.00	36,841,565.00
Second deficiency.....	117,662,511.87	88,684,342.14	28,978,169.73
Total.....	2,591,358,007.65	1,551,440,934.21	1,039,917,073.44

It will be understood, of course, that the above tables are not official, as the official figures are not available until the close of the session. [Applause.]

The above tables and comparisons show clearly that estimates for appropriations have been slashed materially. The difference between the estimates submitted by the heads of departments to the Secretary of the Treasury and appropriations actually made shows a saving to the taxpayers of the country of \$2,725,784,967.08.

Why have the departments submitted estimates for such claims of appropriations at this critical time of financial distress? What is the purpose or the end to be attained? The answer is simple. The heads of the various departments are determined to maintain the war-time personnel of their respective departments, regardless of the tax burden upon the people. Will any fair-minded man claim or contend for a minute that the present Republican majority in Congress is responsible in the slightest degree for this condition or state of affairs? Is the Republican majority to function only when it assumes the rôle of conducting the affairs of the various heads of departments of this administration? Certainly not. Then let the responsibility rest where it belongs, with the present administration; let the heads of departments carry out the provisions and requirements of the law and further discussion of

this subject will be unnecessary, and the taxpayers of this country will be greatly relieved of an unnecessary burden that is thrown upon them by the failure of these departments to comply with the requirements of the law. The fault is not with the law. The law is ample. The fault is with the heads of the respective departments.

I hope it will be borne in mind that the present law was adequate in every respect to control the heads of departments as to the number of employees in each department before the late World War. Then why should not the same be adequate to control them in this matter since the war has ended? If this law was wholesome and effective for 38 years before the late war, why is it not just as wholesome and effective under similar conditions since the war?

Mr. FIELDS. Will the gentleman yield?

Mr. RICKETTS. I respectfully decline to yield, Mr. Chairman. I have only a short time in which to complete my address. I regret that I can not yield.

No Member of this House has the right to camouflage on so serious a matter as this to the taxpayers of this country. We must face this matter in the light of the law as it is, not as we would prefer to have it for political purposes. This law has been supplemented from time to time, but the above provisions remain the same.

During my service here I have stood out stoutly for economy, because I felt that I knew the necessity for economy, arising out of the fact that gross extravagance has been practiced in the management of the affairs of this Nation during the past two and one-half years, and especially since the armistice was signed on the 11th day of November, 1918. This is a time in our national history when every American should be at his best; when every official of the Government, including Members of Congress, should subscribe strictly to a policy of economy and perform his full duty to his country; when a substantial business policy should be pursued not only by the Government but by all men as well in order that normal conditions may be re-established and our country again made whole. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, how does the time stand?

The CHAIRMAN. The time of the gentleman from Iowa has been exhausted. The gentleman from Tennessee has two minutes remaining.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas is recognized for two minutes.

Mr. BLANTON. Mr. Chairman, for the information of the gentleman from Pennsylvania [Mr. FOCHT], I read the following from the chief of the Capitol police:

WASHINGTON, D. C., April 17, 1920.

The undersigned is captain of the United States Capitol police and has been employed in and around the Capitol for the past 23 years, having once been Doorkeeper of the Senate.

Both the flag on the east end of the Capitol and the flag on the west end of the Capitol Building are lowered each evening at sunset and are raised each morning at sunrise. The statement that same are never lowered and raised each day is incorrect.

JAMES A. ABBOTT,
Captain United States Capitol Police.

Now, Mr. Chairman, I want to answer the gentleman from Ohio [Mr. RICKETTS]. In the discussion of the Agricultural appropriation bill and in the legislative, executive, and judicial appropriation bill I called attention to the fact that our Republican committee provided in the Agricultural bill for 754 messengers and for 76 watchmen for one department, and in the legislative bill for 1,076 messengers and 515 watchmen, and I offered amendment after amendment from the floor to cut them down, a thing which this Congress had a right to do, and each time my friend's side of the House, with only a handful of Members present here in charge of these two bills, voted to keep that big bunch in, because they were afraid of the organizations to which they belonged. Most of these heads of departments are Republicans anyway, there for years under the civil service.

Why should he now get up here and camouflage to the public that he and his party are not responsible? You let us Democrats get in here once more [laughter on the Republican side] and I am going to help to get them out, and we are going to get in power after the next election. [Laughter and applause.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 701 (a) of the revenue act of 1918 be, and the same is hereby, amended so as to read as follows:

"Sec. 701 (a). That upon all tobacco and snuff manufactured in or imported into the United States, and hereafter sold by the manufacturer or importer, or removed for consumption or sale, there shall be levied, collected, and paid, in lieu of the internal-revenue taxes now

imposed thereon by law, a tax of 18 cents per pound, to be paid by the manufacturer or importer thereof; and upon all unstemmed leaf tobacco sold or removed for sale to the consumer, except by growers thereof, on and after the date of the passage of this act, a tax of 7 cents per pound to be paid by the person so selling or removing such leaf tobacco."

Mr. FIELDS. Mr. Chairman, I move to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, there is only one section of the bill.

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. FIELDS. Mr. Chairman, I made the pro forma motion for the purpose of referring to one of the alleged savings to which the gentleman from Ohio [Mr. RICKETTS] referred awhile ago, and that was on the Army bill.

It is true that the Army bill, as it passed the House yesterday, carried \$800,000,000 less than was estimated for in October. Attention was called yesterday to the fact that the estimate was made in October, the time required by law, when the country had no settled policy as to what the size of the Army should be or would be. It was the idea of the Chief of Staff at that time and those advocating military training that we should have an Army of 500,000, and in order to have universal military training about 25,000 officers. The Congress did not accept that proposition. The Army was reduced to 175,000 men instead of 500,000, as contemplated, and compulsory universal military training was killed by the action of the respective parties in this House.

But let me call the attention of the gentleman to the fact that the first action to accomplish that result was taken by the Democratic Party when we met in caucus in this Chamber and went on record against the proposition of compulsory universal military training by a vote of 106 to 17. [Applause on the Democratic side.]

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. SUMMERS of Washington. Did not the Secretary of War recommend an Army of 575,000? And did he not make a recommendation for an appropriation to support an Army of that size? If the department had had its way, would we not have such an Army, and would it not be necessary to make an appropriation for such an Army?

Mr. FIELDS. I am calling the gentleman's attention to the action taken by the Democratic Members of Congress on this proposition.

Mr. SUMMERS of Washington. Was not that the action of the Secretary of War?

Mr. FIELDS. As I now recall, the Secretary of War did after some delay indorse the recommendations of the Chief of Staff for an Army of 500,000 men, giving as his reason for his action that, in his opinion, the unsettled condition of affairs in the country warranted the maintenance of an Army of that size until the restoration of normal conditions, at least; but that was not a partisan proposition, for while the Secretary of War is a Democrat the Chief of Staff is a Republican. But since you gentlemen of the Republican side inject politics into every question relating to the Military Establishment, I will ask you this question: If your champion of universal military training, Gen. Leonard Wood, should be nominated for the Presidency by your party, what are you gentlemen going to do? [Applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SUMMERS of Washington. In answer to the gentleman's question I will say we are going to elect him, if nominated. [Applause on the Republican side.]

Mr. FOCHT. Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FOCHT] is recognized.

Mr. FOCHT. Mr. Chairman, my young friend from Texas [Mr. BLANTON], with something more than his ordinary composure, and yet with a struggle and a rather hurried effort, a moment ago attempted to escape from the tight place in which he found himself under the fence yesterday by calling in a policeman to verify his erroneous statement.

I will not take up much time, but notwithstanding the message the gentleman received from the policeman, as a matter of fact the statement was made yesterday—and I thought I was making a friendly correction of an error made by two distinguished gentlemen from Texas about the raising and lowering of the flag from the dome of the Capitol in the morning and evening. I undertook to say that the flag on the front of the Capitol and at the rear of the Capitol was never lowered, but that it floated

there continuously, and was always there, to be seen day and night. The gentleman has read a statement from the chief of the Capitol police, who had previously called me on the telephone. I do not know the policeman. I never saw him. I do not know how much he knows about the history of the flag nor about this particular duty as a Capitol policeman, but I do know that the gentleman from New York [Mr. Hicks] is an authority on this question of the flag. I will give the gentleman the information as to where I got the authority for my statement and what I predicated my remarks on. I call the gentleman's attention to the celebrated, really marvelous lecture on the American flag delivered on the floor of this House by the gentleman from New York [Mr. Hicks]. If he will turn to page 36 of the pamphlet edition of that speech he will find there a paragraph which reads:

Officially over only three buildings does the flag fly continuously, day and night—the National Capitol at Washington (east and west fronts) and over the adjacent office buildings of the Senate and House of Representatives.

With all respect for the policeman, whoever he may be, whether he is performing his duty or not, or whether he has not been apprised of his duty with regard to keeping the flag up, if he does not know it I would recommend him to see Mr. Hicks and find by what authority he made this statement in one of the greatest public documents ever issued in the history of this country, and learn to do his duty; and then if the Member from Texas will do likewise in the future he may not be so far misled as to charge the gentleman from Pennsylvania with being unaware of this official form as it pertains to the display of the flag over the Capitol.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words.

Mr. GREEN of Iowa. This is wholly out of order.

Mr. BLANTON. It will take only two minutes.

The CHAIRMAN. Without objection, the gentleman from Texas will be recognized.

Mr. FOCHT. I will not object.

Mr. BLANTON. I want to say that the gentleman from Pennsylvania [Mr. FOCHT] butted into the colloquy between myself and the gentleman from Texas yesterday ostensibly to give us some information, and I presumed that his information was correct; but the gentleman from New York [Mr. Hicks] made his speech under a Democratic régime. Then possibly the flag never ceased to wave over the Capitol. The present régime in the Capitol is Republican. Whatever is done with the flag now is done under a Republican régime. This chief of the Capitol police is under a Republican régime. He tells us in this written statement that, regardless of what used to occur under a Democratic régime, when Mr. Hicks made that speech, the flag is now raised every morning at sunrise on the east and west fronts of the Capitol and every evening the flag is lowered. It is like the case of the lawyer who said to his client, "Why, they can't put you in jail for that"; and the fellow said, "Faith, and don't ye see me lookin' at ye through the bars?" The flag is raised and lowered now, regardless of what the gentleman from New York [Mr. Hicks] said; and if the procedure described by the gentleman from New York [Mr. Hicks] is the correct one, then my friend ought to get his Republican régime to work and have the flag fly all night, as the gentleman asserts is proper according to what he asserts was stated by the gentleman from New York [Mr. Hicks]. But the gentleman from Pennsylvania should not attempt to give information by asserting that the flag is not raised and lowered every day when, as a matter of fact, it is so done, according to the employee who has it in charge.

The Clerk resumed and completed the reading of the bill.

Mr. FIELDS. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

On motion of Mr. GREEN of Iowa the committee rose; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13432) to regulate dealing in leaf tobacco, had directed him to report the same back to the House without amendment, with the recommendation that the same do pass.

Mr. GREEN of Iowa. I move the previous question on the bill to the final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. GREEN of Iowa a motion to reconsider the last vote was laid on the table.

VOCATIONAL REHABILITATION.

Mr. FESS. Mr. Speaker, I ask unanimous consent that the title of H. R. 12266 be amended in accordance with the text. That was overlooked.

The SPEAKER. The gentleman asks unanimous consent that the title of H. R. 12266 be amended in accordance with the text. Is there objection?

There was no objection.

Mr. DONOVAN. I ask unanimous consent to revise and extend my remarks on that bill, on which I spoke this afternoon.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 9065. An act to amend certain sections of the Federal farm-loan act, approved July 17, 1916;

H. R. 11877. An act granting the consent of Congress to Madison and Rankin Counties, in the State of Mississippi, to construct a bridge across the Pearl River between Madison and Rankin Counties;

H. R. 12889. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct a bridge across the Mahoning River, at or near Division Street, in the city of Youngstown, Ohio;

H. R. 795. An act for the relief of Arthur Wendle Englert; and

H. R. 6025. An act to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901," and the acts amendatory thereof and supplementary thereto.

CORRECTION OF POST-OFFICE BILL.

Mr. STEENERSON. Mr. Speaker, I ask unanimous consent for the present consideration of the following concurrent resolution.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 11578) entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1921, and for other purposes," the Clerk be, and he is hereby, authorized and directed to number the sections consecutively.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 48 minutes p. m.) the House adjourned until to-morrow, Sunday, April 18, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a proposed paragraph of legislation required by the United States Coast Guard for the fiscal year 1920 (H. Doc. No. 730); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Navy, transmitting request that section 34 of the proposed bill providing for the personnel of the Navy and Marine Corps be eliminated; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. JOHNSON of Washington, from the Committee on Immigration and Naturalization, to which was referred the bill (H. R. 13646) to amend the act entitled "An act to establish a Bureau

of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906, as amended, and for other purposes, reported the same without amendment, accompanied by a report (No. 846), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho, from the Committee on the Public Lands, to which was referred the bill (H. R. 10434) to add certain lands to the Targhee National Forest, reported the same with an amendment, accompanied by a report (No. 849), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. WHITE of Kansas, from the Committee on the Public Lands, to which was referred the bill (H. R. 11917) for the relief of Gustavus F. Gallagher, reported the same with an amendment, accompanied by a report (No. 848), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HASTINGS: A bill (H. R. 13665) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13666) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River in section 18, township 12 north, range 21 east, in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

By Mr. MONAHAN of Wisconsin: A bill (H. R. 13667) to revise and amend section 853 of the Revised Statutes of the United States of 1878; to the Committee on the Judiciary.

By Mr. RHODES: A bill (H. R. 13668) providing pensions for needy mothers having the custody of dependent children under the age of 16 years; to the Committee on Labor.

By Mr. RAINEY of Alabama: A bill (H. R. 13669) to declare Short Creek, in Marshall County, Ala., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. REAVIS: A joint resolution (H. J. Res. 339) to create a joint committee on the reorganization of the administrative branch of the Government; to the Committee on the Judiciary.

By Mr. VOIGT: A joint resolution (H. J. Res. 340) providing for recommendation for amnesty and pardon for political prisoners; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 13670) granting an increase of pension to Morgan Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13671) granting an increase of pension to John W. Bowman; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 13672) granting a pension to John W. Hughes; to the Committee on Pensions.

By Mr. HOEY: A bill (H. R. 13673) granting an increase of pension to M. A. Anderson; to the Committee on Pensions.

Also, a bill (H. R. 13674) granting an increase of pension to Andrew S. Hicks; to the Committee on Pensions.

By Mr. MANN of Illinois: A bill (H. R. 13675) granting a pension to Mary Wantz; to the Committee on Pensions.

By Mr. RUBEY: A bill (H. R. 13676) granting an increase of pension to David Misenar; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3032. By the SPEAKER: Petition of sundry citizens of the city of Watervliet, N. Y., requesting the immediate recognition of the Republic of Ireland and favoring the passage of the Mason bill; to the Committee on Foreign Affairs.

3033. By Mr. ESCH: Petition of William H. Sommers, secretary Racine Trades and Labor Council, Racine, Wis., relative to

the political offenders in the American civil and military prisons, etc.; to the Committee on the Judiciary.

3034. By Mr. FOCHT: Evidence in support of House bill 13236, granting a pension to Harry M. Owens; to the Committee on Pensions.

3035. By Mr. GALLIVAN: Petition of M. I. Conner, of Northampton, Mass., urging the passage of House bill 13390; to the Committee on Naval Affairs.

3036. Also, petition of Rousmaniere, Williams & Co., of Boston, Mass., urging the defeat of House bills 12379 and 12646; to the Committee on Banking and Currency.

3037. Also, petition of St. Brendan Society, urging that Congress abrogate all treaties with England until the army of occupation is withdrawn from Ireland, etc.; to the Committee on Foreign Affairs.

3038. Also, petition of T. M. McGrath and Michael McAter, of Boston, Mass., relative to adjusted compensation for the ex-service men of the World War; to the Committee on Ways and Means.

3039. Also, petition of Charles T. Mackay and 95 other members of the Michael J. Perkins Post, No. 67, American Legion, Boston, Mass., favoring the cash bonus for the ex-service men of the World War; to the Committee on Ways and Means.

3040. Also, petition of George A. Lapham, of Boston, Mass., opposing the passage of House bills 12379 and 12646; to the Committee on Banking and Currency.

3041. Also, petition of William H. Burns & Co., of Worcester, Mass., favoring the passage of House bill 11729; to the Committee on Ways and Means.

3042. Also, petition of George W. Sias, of Boston, Mass., favoring the passage of the House bill for the promotion of the production of gold and silver metals; to the Committee on Coinage, Weights, and Measures.

3043. Also, petition of Boston Varnish Co., of Boston, Mass., opposing the passage of House bill 12976; to the Committee on Ways and Means.

3044. Also, petition of G. W. Bent Co., of Boston, Mass., opposing the passage of House bills 12379 and 12646; to the Committee on Banking and Currency.

3045. Also, petition of Charles A. Hammond Post, No. 78, American Legion, of Boston, regarding bonus for soldiers; to the Committee on Ways and Means.

3046. Also, petition of the American Legion, Department of Massachusetts, Boston, favoring the passage of H. R. 10365; to the Committee on Interstate and Foreign Commerce.

3047. By Mr. GREEN of Iowa: Petition of Jens Hansen and 71 others, of Elk Horn, Iowa, opposing proposal to restrict second-class mail to newspapers printed in English; to the Committee on the Post Office and Post Roads.

3048. By Mr. HILL: Petition of residents of New York City for the enactment of H. R. 10518 to create a Federal urban mortgage bank; to the Committee on Banking and Currency.

3049. By Mr. LUCE: Petition of residents of Brookline, Mass., favoring the passage of H. R. 1112, providing for the parole of Federal prisoners; to the Committee on the Judiciary.

3050. By Mr. MCCLINTIC: Petition of delegates to the Major County (Okla.) Farmers' Union, regarding financial, taxation, and military legislation; to the Committee on Banking and Currency.

3051. By Mr. TAGUE: Petition of United Indian War Veterans, urging legislation in behalf of Indian war veterans; to the Committee on Pensions.

3052. Also, petition of Boston Chamber of Commerce, urging an amendment to the recent railroad act; to the Committee on Interstate and Foreign Commerce.

3053. By Mr. TEMPLE: Petition of the Blue Triangle Club of the Young Women's Christian Association, of New Castle, Pa., favoring the passage of the Towner maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

3054. Also, petition of the Civic Club of Allegheny County, Pittsburgh, Pa., urging postponement of action on H. R. 12466; to the Committee on the Public Lands.

3055. By Mr. TIMBERLAKE: Petition of the J. Hunter Wickersham Post, No. 51, American Legion; Leo Leyden Post, No. 1, American Legion, Denver, Colo.; the Phillip Wade Post, No. 46, American Legion, Brighton, Colo.; and the Watonga Post, No. 125, American Legion, of Watonga, Okla., favoring adjusted compensation for the ex-service men of the World War; to the Committee on Ways and Means.

3056. By Mr. VARE: Petition of the Employers' Association of Pittsburgh, Pa., relative to railroad strikes; to the Committee on Interstate and Foreign Commerce.